

ROSSELL INDIA LIMITED



24th July, 2023

The Department of Corporate Services BSE Limited Ground Floor, P. J. Towers Dalal Street, Fort Mumbai – 400 001 Scrip Code : 533168	National Stock Exchange of India Ltd. Listing Department, Exchange Plaza, Bandra-Kurla Complex Bandra (E), Mumbai – 400 051 Symbol: ROSSELLIND
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Dear Sirs,

Sub: Notice convening the Meeting of the Equity Shareholders of RosSELL India Limited pursuant to the Order of the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble Tribunal' / "NCLT") vide Order dated 13th July, 2023

Kindly be advised that, the Hon'ble National Company Law Tribunal, Kolkata Bench ('Hon'ble Tribunal' / "NCLT") vide Order dated 13th July, 2023 passed in the Company Scheme Application No. CA(CAA)/133/KB/2023 ('Order'), has directed, *inter alia*, that a meeting of the Equity Shareholders (Members) of the Company be convened and held on Friday, 25th August, 2023 at 11:00 A.M. through Video Conferencing ('VC') facility / Other Audio Visual Means ('VC/OAVM') ('Meeting') to consider and, if thought fit, approve, with or without modification(s), the proposed Scheme of Amalgamation between BMG Enterprises Limited ("The Transferor Company") and RosSELL India Limited ("The Transferee Company" or "Company") and their respective shareholders ('Scheme').

In view of said Order, the meeting of the Equity Shareholders of the Company is being convened on **Friday, 25th August, 2023 at 11:00 A.M. (IST)** through VC/OAVM mode in compliance with the provisions of the Companies Act, 2013 ('Act') and General Circulars No. 11/2022 dated 28th December, 2022 read with General Circulars No.14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as the "MCA Circulars") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to consider, and if thought fit, pass, with or without modification(s), the resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and 230(6) read with Section 232(1) of the Act and SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 (SEBI Master Circular).

In terms of Regulation 30 read with Para A, Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Notice convening said Meeting along with its Annexures.

This Notice along with its Annexures are also available on the website of the Company at www.rossellindia.com and on the website of the National Securities Depository Limited at www.evoting.nsdl.com.

The aforesaid documents are being dispatched electronically today to those members whose e-mail IDs are registered with the Company/Registrar and Share Transfer Agent of the Company or the Depository Participant(s).

You are requested to take the above on records.

Yours faithfully,
For **ROSSELL INDIA LTD.**



NIRMAL KUMAR KHURANA
DIRECTOR (FINANCE) AND
COMPANY SECRETARY

Encl: As above



ROSSELL INDIA LIMITED

CIN: L01132WB1994PLC063513

Registered Office: Jindal Towers, Block 'B', 4th Floor

21/1A/3, Darga Road, Kolkata - 700 017, Website: www.rossellindia.com

Phone: 033 2287 4794, e-mail: corporate@rosselltea.com

**NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF
ROSSELL INDIA LIMITED PURSUANT TO ORDER DATED 13 JULY 2023 OF
THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH**

MEETING	
Day	Friday
Date	25 August 2023
Time	11 A.M. (IST)
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Kolkata Bench, the Meeting shall be conducted through Video Conferencing or Other Audio-Visual Means
Cut-off date for e-Voting	Friday, 18 August 2023
Remote e-Voting start date and time	Tuesday, 22 August 2023 at 9:00 A.M. (IST)
Remote e-Voting end date and time	Thursday, 24 August 2023 at 5:00 P.M (IST)
Additional e-Voting	For 30 minutes on 25 th August 2023 immediately after the conclusion of the meeting of the Equity Shareholders of Rossell India Limited

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FORM NO. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

In the National Company Law Tribunal
Kolkata Bench- Court -I
Company Application (CAA) No. 133/ KB /2023

In the matter of:

An application under Section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules 2016;

And

In the matter of:

- 1) BMG ENTERPRISES LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Towers, Block "B" 4th Floor, 21/1A/3, Darga Road, Kolkata-700017, within the aforesaid jurisdiction.

...THE FIRST APPLICANT COMPANY/
TRANSFEROR COMPANY

And

- 2) ROSSELL INDIA LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Towers, Block "B" 4th Floor, 21/1A/3, Darga Road, Kolkata-700017, within the aforesaid jurisdiction.

...THE SECOND APPLICANT COMPANY/
TRANSFeree COMPANY

And

In the matter of:

1. BMG ENTERPRISES LIMITED (CIN: U51909WB1978PLC256796)
2. ROSSELL INDIA LIMITED (CIN: L01132WB1994PLC063513)

...Applicant Companies

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS OF ROSSELL INDIA LIMITED

To,
The Equity Shareholders of
Rossell India Limited (Applicant no. 2/Transferee Company)

1. NOTICE is hereby given that, in accordance with the Order dated 13 July 2023, in the above mentioned Company Application, passed by the Hon'ble National Company Law

Tribunal, Kolkata Bench (“**Tribunal**”) (“**Tribunal Order**”), a Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between BMG Enterprises Limited (“**The Transferor Company**”) and Rossell India Limited (“**The Transferee Company**”) and their respective shareholders and creditors (“**Scheme**”) on Friday, 25 August 2023 at 11 A.M. (IST).

2. Pursuant to the said Tribunal Order and as directed therein, the Meeting of the Equity Shareholders of the Company (“**Meeting**”) will be held through Video Conferencing (“**VC**”)/ Other Audio Visual Means (“**OAVM**”), in compliance with the applicable provisions of the Companies Act, 2013 (“**Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 (SEBI Master Circular), General Circular No. 11/2022 of dated 28th December, 2022, issued by the Ministry of Corporate Affairs(MCA Circular), and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India (‘**SS-2**’) to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act, as amended:

*“**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 (SEBI Master Circular) and other applicable SEBI Circulars, the Observation Letter issued by the Stock Exchanges viz. BSE Limited and the National Stock Exchange of India Limited, in this regard (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon’ble National Company Law Tribunal, Kolkata Bench (“**Tribunal**”) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation between BMG Enterprises Limited and Rossell India Limited and their respective shareholders (“**Scheme**”), be and is hereby approved.”*

*“**RESOLVED FURTHER** that the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect*

to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the Shareholders and the Shareholders shall be deemed to have given their approval thereto expressly by authority under this Resolution.”

3. **TAKE FURTHER NOTICE** that the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes: (a) by remote electronic voting during the period as stated below (“**remote e-Voting**”); or (b) through e-Voting system available at the Meeting to be held virtually (“**e-Voting at the Meeting**”):

REMOTE E-VOTING PERIOD	
Commencement of voting	Tuesday, 22 August 2023 at 9:00 A.M. (IST)
End of voting Sunday	Thursday, 24 August 2023 at 5:00 P.M. (IST)

ADDITIONAL E-VOTING PERIOD	
Voting Period	For 30 minutes on 25 th August 2023 immediately after the conclusion of the meeting of the Equity Shareholders of Rossell India Limited

4. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the cut-off date, i.e., Friday, 18th August 2023 only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.
5. A copy of the said Scheme, statement under Sections 230 to 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are appended. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at www.rossellindia.com; the website of National Securities Depository Limited viz. (“**NSDL**”) viz. www.evoting.nsdl.com, being the agency appointed by the Company to provide the e-Voting and other facilities for convening of the Meeting and the website of the Stock Exchanges i.e., BSE Limited (“**BSE**”) viz. www.bseindia.com and the National Stock Exchange of India Limited (“**NSE**”) viz. www.nseindia.com.
6. The Tribunal has appointed Mr. Rahul Auddy, to be the Chairperson for the Meeting and Ms. Neha Somani, to be the Scrutinizer for the Meeting.
7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Rahul Auddy
Chairperson appointed by the Tribunal for the Meeting

Place: Kolkata

Date: 24th July, 2023

Registered Office:

Jindal Towers, Block – “B”,
4th Floor, 21/1A/3, Darga Road,
Kolkata, West Bengal 700017, India
CIN: L01132WB1994PLC063513
Website: www.rossellindia.com
E-mail: corporate@rosselltea.com
Tel.: 033 2287 4794

Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Kolkata Bench ("**Tribunal**") vide its Order dated 13 July 2023 ("**Tribunal Order**"), the Meeting of the Equity Shareholders of the Company is being conducted through video conferencing ("**VC**") / other audio-visual means ("**OAVM**") facility to transact the business set out in the Notice convening this Meeting. The deemed venue for the Meeting shall be the Registered Office of the Company situated at Jindal Towers, Block "B" 4th Floor, 21/1A/3, Darga Road, Kolkata-700017.
2. The Statement pursuant to Sections 230 to 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("**Act**") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. Pursuant to the directions of the Tribunal given under the Tribunal Order and Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 of the SEBI Listing Regulations read with SEBI Master Circular, SS-2, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ('**MCA**') for holding general meetings through e-voting vide General Circular Nos. 11/2022 dated 28th December, 2022 read with General Circulars No.14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020 (collectively the '**MCA Circulars**') the Company is providing to the Shareholders the facility to exercise their right to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting (**hereinafter referred to as "e-Voting"**). For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency.
4. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the Cut-off Date, i.e., Friday, 18 August 2023 only shall be eligible for participation in remote e-Voting (e-Voting from a place other than venue of the meeting) and voting at the Meeting. Please note that Members can opt for only one mode of voting i.e., either by voting at the Meeting or remote e-Voting. If Members opt for remote e-Voting, then they should not vote at the Meeting and vice versa. However, once an e-vote on a resolution is cast by a Member, such Member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-Voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again. A person who is not a shareholder as on the Cut-off Date, should treat the Notice for information purpose only.
5. Any person who holds shares as on the Cut-Off Date may obtain the login ID and password by sending a request to NSDL at evoting@nsdl.co.in. However, if the Member is already registered with NSDL for remote e-Voting, then he/she can use his/her existing User-ID and password for casting the vote. Only a Member who is entitled to vote shall exercise his/her/its vote through e-Voting and any recipient of this Notice who has no voting rights as on the Cut-off Date should treat the same as intimation only.

6. In case of joint holders attending the Meeting, the joint holder who is highest in the order of names will be entitled to vote at the Meeting.
7. The attendance of the Members attending the Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Since this Meeting is being held through VC / OAVM, physical attendance of Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders will not be available for the Meeting, and hence the Proxy Form, Attendance Slip and Route Map are not annexed hereto. Body Corporates are entitled to appoint authorised representatives to attend the Meeting through VC/OAVM and participate there at and cast their votes by electronic means. The voting by the said authorized representative(s) is permitted, provided that the authorisation, duly signed, is lodged with the Company, in physical at its registered office or by electronic mode, at least 48 (Forty-Eight) hours before the Meeting.
9. The Notice of the Meeting and the accompanying documents are being sent only through electronic mail to those shareholders (as on 14th July 2023) whose email addresses are registered with the Registrar and Transfer Agent (“RTA”) / Depositories.
10. The shareholders may note that the aforesaid documents are also available on the website of the Company at www.rossellindia.com and on the website of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, the website of National Securities Depository Limited (“NSDL”) at www.evoting.nsdl.com, being the agency appointed by the Company to provide VC / OAVM and e-Voting facility for the Meeting.

If so desired, shareholders may obtain a physical copy of these documents free of charge from the registered office of the Company on any day (except Saturday, Sunday and public holiday) up to the date of the meeting. Alternatively, a written request for obtaining physical / soft copy of these documents may be made by writing an e-mail in this regard to the Company Secretary at corporate@rosselltea.com along with details such as demat account no./ Folio no., name, address, Permanent Account Number (PAN), mobile number and email address.

11. Ms. Neha Somani shall act as Scrutinizer to scrutinize the remote e-Voting process of Meeting in a fair and transparent manner.
12. The Scrutinizer will, after the conclusion of e-Voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-Voting, make a consolidated Scrutinizer’s Report and submit the same to the Chairperson of the Meeting. The result of e-Voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer’s Report, will be placed on the website of the Company: www.rossellindia.com and on the website of NSDL at www.evoting.nsdl.com. The result will simultaneously be communicated to the Stock

Exchanges. The result will also be displayed at the registered office of the Company.

13. In accordance with the SEBI Master Circular, the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders in favour of the aforesaid resolution for approval of Scheme is more than the number of votes cast by the Public Shareholders against it i.e., majority in number representing three fourth in value (as per Sections 230 and 232 of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting.
14. Documents for inspection as referred to in the Notice will be available electronically for inspection (without any fee) by the shareholders from the date of circulation of this Notice up to the date of Meeting. Shareholders seeking to inspect such documents can access the same on the website of the Company at: www.rossellindia.com.
15. Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through electronic means.

Remote E-Voting; Meeting through VC / OAVM; E-Voting at the Meeting

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING MEETING ARE AS UNDER:-

The facility of attending Meeting through VC/OAVM is being provided by National Securities Depository Limited (NSDL). The facility of casting votes by a shareholder using electronic means, i.e. (i) remote e-Voting and (ii) e-Voting at the Meeting, (hereinafter referred to as “e-Voting”) is also being provided by NSDL.

The remote e-Voting period will commence at 9:00 A.M. (IST) on Tuesday, 22nd August 2023 and end at 5:00 P.M. (IST) on Thursday, 24th August 2023. The e-Voting module shall be disabled by NSDL for remote e-Voting thereafter. However, the same shall be enabled once again during the course of the Meeting. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the RTA / Depositories as on the cut-off date, i.e. Friday, 18th August 2023 only shall be entitled to cast their vote by electronic means. The voting rights of a shareholder shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a shareholder as on the cut-off date, should treat the Notice for information purpose only.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A) **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility...

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

	<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to neha_somani07@yahoo.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by

clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 2499 7000 and 022 4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the Meeting under Step 1: "Access to NSDL e-Voting system" (Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 2499 7000 and 022 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to corporate@rosselltea.com or to the Company's Registrar and Share Transfer Agent, namely CB Management Services Pvt. Ltd at their e-mail id viz. rta@cbmsl.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to corporate@rosselltea.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for members for e-voting on the day of the General Meeting are as under:

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting.
3. Members who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Meeting shall be the same person mentioned for Remote e-voting.

Instructions for Members for attending the Meeting through VC/OAVM are as under:

1. Member will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker and may send their request mentioning their name, demat account number/folio number, email id, mobile

number at corporate@rosselltea.com latest by 5:00 p.m. (IST) on Monday, 21st August, 2023 Shareholders are requested to send their questions in advance within the aforesaid stipulated period.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the Meeting.
9. Members who need assistance before or during the Meeting, can contact Mr. Amit Vishal, AVP, NSDL and / or Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in or call 022 2499 7000 and 022 4886 7000 .

In the National Company Law Tribunal
Kolkata Bench- Court -I
Company Application (CAA) No. 133/ KB /2023

In the matter of:

An application under Section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules 2016;

And

In the matter of:

- 1) BMG ENTERPRISES LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Towers, Block “B” 4th Floor, 21/1A/3, Darga Road, Kolkata-700017, within the aforesaid jurisdiction.

...THE FIRST APPLICANT COMPANY/
TRANSFEROR COMPANY

And

- 2) ROSSELL INDIA LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Towers, Block “B” 4th Floor, 21/1A/3, Darga Road, Kolkata-700017, within the aforesaid jurisdiction.

...THE SECOND APPLICANT COMPANY/
TRANSFeree COMPANY

And

In the matter of:

1. BMG ENTERPRISES LIMITED (CIN: U51909WB1978PLC256796)
2. ROSSELL INDIA LIMITED (CIN: L01132WB1994PLC063513)

...Applicant Companies

EXPLANATORY STATEMENT PURSUANT TO SECTIONS 230 TO 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF ROSSELL INDIA LIMITED CONVENED PURSUANT TO ORDER OF THE HON’BLE NATIONAL COMPANY LAW TRIBUNAL, KOLKATA BENCH (“TRIBUNAL”) DATED 13 JULY 2023 (“TRIBUNAL ORDER”)

I. MEETING FOR THE SCHEME

This is a statement accompanying the Notice convening the Meeting of Equity

Shareholders of Rossell India Limited (“**Company**”), for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation between BMG Enterprises Limited (“**the Transferor Company**”) and Rossell India Limited (“**Company**” or “**the Transferee Company**”) and their respective shareholders (“**Scheme**”).

The Scheme inter-alia provides for amalgamation of BMG Enterprises Limited into Rossell India Limited. The salient features of the Scheme are given in Paragraph V of this Statement. The detailed terms of the amalgamation may be referred to in the Scheme, appended as ‘**Annexure I**’.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

II. DATE, TIME AND MODE OF MEETING

Pursuant to an order dated 13 July 2023, passed by the Hon’ble Tribunal in Company Application (CAA) No. 133/KB/2023, the Meeting of the Equity Shareholders of the Company, will be held for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) on Friday, 25th August 2023 at 11 A.M. (IST). The Company is providing the facility to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting.

III. RATIONALE AND BENEFITS OF THE SCHEME/ SYNERGIES OF THE BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME/ COST BENEFIT ANALYSIS OF THE SCHEME

It is proposed to amalgamate the Transferor Company into the Transferee Company by the Scheme, as a result of which the shareholders of the Transferor Company viz. the promoters of the Transferor Company (who are also the promoters of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a) The merger will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group’s direct commitment to and engagement with the Transferee Company;
- b) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- c) The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the promoters directly;
- d) Further, the Scheme also provides that the shareholders of the Transferor Company

shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation.

IV. BACKGROUND OF THE COMPANIES:

A. Particulars of the Transferee Company/ Company (Rossell India Limited)

- (i) Rossell India Limited is a public company incorporated on 10 June 1994 under the Companies Act, 1956. The registered office of the Company is situated at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700017, West Bengal, India. The Company is accordingly registered with the Registrar of Companies, Kolkata, having Corporate Identity Number (CIN) L01132WB1994PLC063513. Its Permanent Account Number with the Income Tax Department is AABCR3736J. The email address of the Company is corporate@rosselltea.com and the website is www.rossellindia.com. During the last five years, there has been no change in the Name or Registered Office of the Company. The equity shares of the Company are listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (“Stock Exchanges”).
- (ii) The main objects of the Company are stated as under:
1. *“To cultivate estates, lands and properties and to grow thereon tea, coffee, rubber, pepper, oranges, cardamoms, cinchona, cereals, timber, garden and other produce and to carry on the business of general planters, growers, curers, manufacturers, farmers, timber, garden and other produce merchants; and to prepare, process, manufacture and render marketable the produce and products of any estates, lands or properties of the Company and to turn such produce, products, estates, lands and/or properties to account.*
 2. *To commence and carry on the business of planters, growers, producers, curers, manufacturers, merchants and exporters of tea, coffee, rubber, pepper and oranges and other produce and derivatives of the soil.*
 3. *To engage in and carry on the business as importers, exporters, producers, manufacturers of and dealers in beverages of all kinds and description and for that purpose to set up, install, purchase, Import or otherwise acquire all plant, machinery and related equipment and to buy, sell, manufacture, import and deal in all types of stoppers of bottles, corks including in-plate crown corks, crates and containers, whether of glass or any other material, and to run, maintain all such machinery and equipment.*
 4. *To carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold stores, canners and preservers and dealers of food grains and other agricultural, dairy, horticulture and poultry products, fruits, vegetables, herbs, medicines, flowers, drinks, fluids, gas and fresh and preservable products.*
 5. *To promote, establish, improve, develop, administer, own and run agro industries, projects or enterprises or programmes for manufacture or production of plant, machinery, implements, accessories, tools, materials,*

substances, goods or things of any description which in the opinion of the Company will help the growth and modernisation of agriculture, horticulture, forestry, pisciculture, sericulture, apiculture, poultry farming and animal husbandry.”

- (iii) During the last five years, there has been no change in the main object clause of the Company.
- (iv) Pursuant to its incorporation, the Company commenced its business and is presently engaged in business activities of cultivation, manufacture and selling of Bulk Tea known as Rossell Tea Division. It owns 6 (Six) Tea Estates in Assam. The Company is also engaged in the business of providing interconnect solutions and electrical panel assemblies, Test Solutions and after-market services in aerospace and defense sector.
- (v) The share capital of the Company as on 31 March 2023 was as follows:

Particulars	Amount in Rs.
Authorised Capital	
3,80,00,000 Equity Shares of Rs. 2 each	7,60,00,000
14,00,000 Preference Shares of Rs. 10 each	1,40,00,000
Total	9,00,00,000
Issued Subscribed and Paid-up Capital	
3,76,96,475 Equity shares of Rs. 2 each	7,53,92,950
Total	7,53,92,950

- (vi) The audited standalone and consolidated financial statements of the Company for the financial year ended 31 March 2023, is annexed as Annexure II to this Notice. The audited standalone and consolidated financial statements of the Company for the financial year ended 31 March 2023, is available on the Transferee Company’s website at www.rossellindia.com and are available for inspection at the Registered Office of the Transferee Company.
- (vii) The details of Promoters and Directors of the Company as on 31 March 2023 along with their addresses are mentioned herein below:

Promoter / promoter group details		
Name	Category	Address
Vinita Gupta	Promoter	18, Ashok Avenue, Westend Greens, Rajokari, , Delhi ,110038
Rishab Mohan Gupta	Promoter	18, Ashok Avenue Westend Green s, Rajokri, New Delhi, Delhi, 110038
Harsh Mohan Gupta	Promoter	18, Ashok Avenue, Westend Greens, Rajokari, Delhi ,110038
Samara Gupta	Promoter	18, Ashok Avenue, Westend Greens, Rajokari, Delhi ,110038
B M G Enterprise Limited	Promotor	Jindal Towers Block B, 4th Floor 21/1A/3, Darga Road, Kolkata, West Bengal, 700017
Harvin Estates Private Limited	Promotor	1st Floor, DCM Building, 16 Barakhamaba Road, New Delhi, 110001

BMG Investments Private Limited	Promotor	1st Floor, DCM Building, 16 Barakhamba Road, New Delhi, 110001
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Details of Director		
Name	Category	Address
Harsh Mohan Gupta	Managing Director & CEO	18, Ashok Avenue, Westend Greens, Rajokari, Delhi ,110038
Nirmal Kumar Khurana	Whole time Director & CFO as well as Company Secretary	Flat 1C, Suryodaya Apartment, 171, S.P. Mukherjee Road, Kolkata, West Bengal ,700026
Nayantara Palchoudhuri	Independent Director	64, Lake Place, , Kolkata, West Bengal, 700029
Krishan Katyal	Independent Director	Bally High, Flat 9D, 1, Ballygunge Park Road, Kolkata, West Bengal, 700019
Rishab Mohan Gupta	Whole Time Director	18, Avenue Ashok Westend Green Rajokri, New Delhi, 110038
Rahul Bhatnagar	Independent Director	House no.78, Sector 15A, Noida, Gautam budh nagar, Uttar Pradesh, 201301

B. Particulars of the Transferor Company (BMG Enterprises Limited)

- (i) BMG Enterprises Limited is a public company incorporated on 06 June 1978 under the Companies Act, 1956. The registered office of the Transferor Company is situated at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700017, West Bengal, India. The Transferor Company is accordingly registered with the Registrar of Companies, Kolkata, having Corporate Identity Number (CIN) U51909WB1978PLC25679. Its Permanent Account Number with the Income Tax Department is AAACB4657R. The email address of the Transferor Company is bmgenterprises2018@gmail.com. The registered office of the Transferor Company was shifted from 1st Floor, DCM Building, 16 Barakhamba Road, New Delhi – 110001 to Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700017, West Bengal, India with effect from 30 August 2022. During the last five years, there has been no change in the name of the Transferor Company. The equity shares of the Transferor Company are not listed on any Stock Exchanges.
- (ii) The main objects of the Transferor Company are stated as under:
1. *To import, export, buy, sell, distribute, lease out or otherwise deal in all kinds and types of Aeronautical and Aerospace products, Spare-parts and accessories.*
 2. *To import, export, buy, sell, distribute, lease out or otherwise deal in all kinds and types of Marine, Vessels Survey, Defence, Optical and Oil equipment, accessories and spare-parts.*

3. *To import, export, buy, sell, distribute, lease out or otherwise deal in all kinds and type of motor vehicle spare parts and accessories.*
4. *To acquire, collect and gather by fishing or purchase, all varieties of sea foods like prawns, shrimps, lobsters, pomfrets, shark, eels and other sea products and to process them by using operations such as freezing, filleting, skinning meat picking, drying, boiling and also pack and prepare the same for sale and delivery in export and/or internal markets.*
5. *To purchase or otherwise acquire maintain, sell and give on lease of plant, machinery, motor vehicles, marine engines, marine boats Trawlers, launchers ships, vessels, barges, hotel equipments, medical equipments, air conditioners, air conditioning plants, equipment, office equipments, computers, photo copying machines, cold storage, ice plants, ice cubing plants, construction machinery, furniture and fixture, television; electronic equipments, light, household equipments and appliances.*
6. *To carry on the business of importers, exporters, manufacturers and dealers of cosmetics perfumery, toiletries, essentials oils, soaps, hair lotions and dentifrices.*
7. *To purchase, sell, import, export, manufacturer or otherwise deal in all types of packing material, raw material and other chemicals used for manufacturing of the above items.*
8. *To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, convert, overhaul, alter, maintain and improve all types of electronic components, devices, equipments and appliances, equipments such as television and wireless apparatus including radio receivers and transmitters, tape recorders, broadcast relay and reception equipments phonographs and other equipments used in and or for audio and visual communications, motion systems, apparatus and equipments including those using electromagnetic waves intended for radio-telegraphic or radio-telephonic communication, telephone equipments, photocopiers, electronic lighting controls, and fire alarm systems, digital and other electronic clock, time relays, punch card machines, electromechanical pneumatic controls, data processing machines, computers and automatic calculators, and tubes, surgical, medical and other appliances intended for electro and other therapy treatment and in all types of tapes magnetic and otherwise, photographic films projectors and cameras and capacitors, resistance, condensores, semi-conductors, transistors, rectifiers, steam engines, turbine boilers, integrated and hybrid circuits, relays, potentiometers, connectors, printed circuits, coils, chokes, transformers, wire products, switches, volume controls, measuring and checking instruments, plugs, sockets, aerial gears, diodes, and allied items intended for and used in electronic devices.*
9. *To carry on business of civil, mechanical, electrical and consulting engineers, agricultural engineers, aeronautical engineers, aviation engineers, construction engineers and engineers in all branches of work whatsoever known to engineering, erectors, mechanics, manufacturers of agricultural implements aeronautical, space, marine, oil exploration equipments and any other kind of machinery which is used for the purpose of*

agriculture or for any other purpose whatsoever and/or any part thereof or accessories there to; founders; manufacturers of welding appliances and of all or any parts thereof or accessories thereto; boiler makers; millwrights; wire drawers, tube makers, iron and steel converters, smiths, wheelwrights wood workers, metallurgists galvanizers, japanners, enameliars, electroplaters, silver-platers, nickel-platers, varnishers, vulcanisers, water supply and hydraulic engineers, marine engineers, motor engineers, painters and packing case makers, manufacturers of all other instruments used in or in connection with any of the above business and of motors, machinery and scientific appliances, apparatus and devices of every description whatsoever; rolling stock, timber goods, iron steel and other metal implements, tools, utensils and conveniences of every kind.

- 10. To carry on the business of importing, exporting of and dealing in all kinds of plastic, wooden, metallic toys whether battery, electronic, electric or sound operated and any other description and games for educational purposes, all spares parts, accessories and fittings for all kinds of toys and to set up, purchase, import or otherwise acquire plant, machinery and equipment for the production, manufacture and repairs of all types of toys.*
- 11. To carry on the business of importing, exporting and dealing in all kinds of medical, surgical, scientific equipments, health and child care products, appliances and accessories of all types and description and other related products.*
- 12. To carry on the business as hoteliers, hotel proprietors, hotel managers and operators, refreshment contractors and caterers, restaurant keepers, refreshment room proprietors, milk and snack bar proprietors, cafe and tavern proprietors, lodging house proprietors, ice-cream merchants, sweetmeat merchants, milk manufacturers and merchants, bakers, confectioners, professional merchants, licensed victuallers, wine and spirit merchants, blenders and bottlers.*
- 13. To carry on the business of constructing, reconstructing, altering, improving, decorating, furnishing and maintaining hotels, motels, restaurants, dining rooms, bars, catering rooms, garages, stables, lodging houses commercial buildings, warehouse, clubs, dressing rooms beauty saloons, baths, laundry rooms, reading, writing and library rooms, indoor and outdoor playgrounds and outdoor play grounds and stadiums, swimming pools, theater, opera and cinema houses, museum and art rooms, video and other fun game rooms race courses, meditation centres, boating clubs, flying clubs, freezing-hot-preservation and baking chambers and other apartments, show rooms, shops and conveniences of all kinds.*
- 14. To carry on the business of establishing and operating of hotels, restaurants, inns, cinemas cafe, tavern, beer house, refreshment room and lodging house keepers, licenced victuallers, wine, beer and spirit, merchants, brewers, maltsters, distillers, importers and manufactures of aerated, mineral and artificial waters and other drinks, purveyors, caterers, whether in meals provided door or outdoor, carriage, taxi, motor car and motor lorry proprietors, livery stable keepers job masters, frame's dairymen, ice merchants, importers and dealers of all kinds of foods and food stuffs*

vegetarian or non-vegetarian, live and dead stocks, whether half prepared, fully prepared or in raw form, colonial and foreign produce of all descriptions, hotelware hairdressers, perfumers, chemists, proprietors of clubs, night clubs, health clubs, seminar, fashion show and cultural programme, bath, dressing rooms, laundries, reading, writing and news paper rooms, libraries, grounds, fun games, place of amusement, recreation, sports, games, entertainments and instructions of all kinds, tobacco, cigar and cigarette merchants, agents for railways, roadways, airways and shipping companies and transporters and carriers, the article and opera box office proprietors.

- 15. To act as consultants, managers, operators, advisors, planners, valuers to and impart technical knowhow in the field of planning, construction, operation of hotels, motels, restaurants, recreation, entertainment centres and in the field of tourism industry, whether in India or abroad.*
- 16. To cultivate estates, lands and properties and to grow thereon tea, coffee, rubber, pepper, oranges, cardamoms, cinchona, cereals, timber, garden and other produce and to carry on the business of general planters, growers, curers, manufacturers, farmers, limber, garden and other produce merchants; and to prepare, process, manufacture and render marketable the produce and products of any estates, lands or properties of the Company and to turn such produce, products, estates, lands and/or properties to account.*
- 17. To commence and carry on the business of planters, growers, producers, curers, manufacturers, merchants and exporters of tea, coffee, rubber, pepper and oranges and other produce and derivatives of the soil.*
- 18. To engage in and carry on the business as importers, exporters, producers, manufacturers of and dealers In beverages of all kinds and description and for that purpose to set up, install, purchase, import or otherwise acquire all plant, machinery and related equipment and to buy, sell, manufacture, import and deal In all types of stoppers of bottles, corks Including in-plate crown corks, crates and containers, whether of glass or any other material, and to run, maintain all such machinery and equipment.*
- 19. To carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold sores, canners and preservers and dealers of food grains and other agricultural, dairy, horticulture and poultry products, fruits, vegetables, herbs, medicines, flowers, drinks, fluids, gas and fresh and preservable products.*
- 20. To promote, establish, improve, develop, administer, own and run agro-industries, projects or enterprises or programmes for manufacture or production of plant, machinery, implements, accessories, tools, materials, substances, goods or things of any description which in the opinion of the Company will help the growth and modernisation of agriculture, horticulture, forestry, pisciculture, sericulture, apiculture, poultry farming and animal husbandry.*

(iii) During the last five years, there has been no change in the main object clause of the Transferor Company.

- (iv) The Transferor Company is presently engaged in the business of holding investments.
- (v) The share capital of the Transferor Company as on 31 March 2023 was as follows:

Particulars	Amount in Rs.
Authorised Capital	
5,00,000 Equity Shares of Rs. 100 each	5,00,00,000
Total	5,00,00,000
Issued Subscribed and Paid-up Capital	
92,332 Equity Shares of Rs. 100 each	92,33,200
Total	92,33,200

- (vi) The latest annual financial statements of the Transferor Company have been audited for the financial year ended on 31 March 2023. The Audited financial statements for the year ended 31 March 2023 of the Transferor Company are appended as ‘Annexure III’.
- (vii) The details of Promoters and Directors of the Transferor Company as on 31 March 2023 along with their addresses are mentioned herein below:

Promoters/ promoter group details		
Name	Category	Address
Harsh Mohan Gupta	Promoter	18, Ashok Avenue, Westend Greens, Rajokari, Delhi 110038
Vinita Gupta	Promoter	18, Ashok Avenue, Westend Greens, Rajokari, Delhi 110038
Rishab Mohan Gupta	Promoter	8, Avenue Ashok Westend Green S, Rajokri, Delhi 110038
Samara Gupta	Promoter	18, Ashok Avenue, Westend Greens, Rajokari, Delhi 110038
Harsh Mohan Gupta & Sons (HUF)	Promoter	DCM Building, 16, Barakhamba Road, 1st Floor, New Delhi – 110001
Harvin Estates Pvt. Ltd	Promoter	Ist Floor, DCM Building, 16 Barakhamba Road, New Delhi 110001
BMG Investments Pvt. Ltd	Promoter	Ist Floor, DCM Building, 16 Barakhamba Road, New Delhi 110001

Details of Directors		
Name	Category	Address
Harsh Mohan Gupta	Managing Director	18, Ashok Avenue, Westend Greens, Rajokari, Delhi 110038
Vinita Gupta	Director	18, Ashok Avenue, Westend Greens, Rajokari, Delhi 110038
Nirmal Kumar Khurana	Director	Flat 1C, Suryodaya Apartment, 171, S. P. Mukherjee Road, Kolkata 700026

V. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme are, *inter-alia*, as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in Clause A(1) of the Scheme:

- A. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company.
- B. The 'Appointed Date' of the Scheme means 1st July, 2022 or such other date as may be approved by the National Company Law Tribunal or any other competent authority for the purposes of amalgamation of BMG Enterprises Limited with Rossell India Limited.
- C. The Scheme, as may be approved or imposed or directed by the Tribunal shall become effective from the Appointed Date but shall be operative from the Effective Date.
- D. Consideration/ share exchange ratio for amalgamation of the Transferor Company with the Transferee Company:

Upon the Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of the Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of Transferor Company holding fully paid-up equity shares of Transferor Company and whose names appear in the register of members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion:

“2,47,31,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company”

- E. Dissolution of the Transferor Company

On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.

On and from the Effective Date, name of the Transferor Company shall be removed from the records of the Registrar of Companies and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.

VI. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

The Transferor Company holds 65.61% of the issued, subscribed and paid-up equity share capital of the Company. The Transferor Company is the holding company of the Company.

VII. BOARD APPROVALS

- A. The Board of Directors of the Company at its Board Meeting held on 12th July 2022 and 25th February 2023, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Voted in favor/against/did not participate or vote
Harsh Mohan Gupta	In favour
Nayantara Palchoudhuri	In favour
Krishan Katyal	In favour
Rahul Bhatnagar	In favour
Rishab Mohan Gupta	In favour
Nirmal Kumar Khurana	In favour

- B. The Board of Directors of the Transferor Company at its Board Meeting held on 12th July 2022 and 25th February 2023, by resolution passed unanimously approved the Scheme, as detailed below:

Name of Director	Vote in favour/ against/ did not participate or vote
Harsh Mohan Gupta	In favour
Vinita Gupta	In favour
Nirmal Kumar Khurana	Did not participate

VIII. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPs) AND THEIR RELATIVES

- A. None of the Directors, KMPs of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Company has not issued any debentures and hence, does not have Debenture Trustee.
- B. None of the Directors, KMPs of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding in the Transferor Company, if any. Save as aforesaid, none of the said Directors or the KMPs or their respective relatives has any material interest in the Scheme. The Transferor Company has not issued any debentures and hence, does not have Debenture Trustee.

IX. EFFECT OF THE SCHEME ON STAKEHOLDERS

The effect of the Scheme on various stakeholders is summarised below:

A. Shareholders (Promoter and Non-Promoter) and Key Managerial Personnel

The effect of the Scheme on the shareholders (promoter and non-promoter) and key managerial personnel of the Company and the Transferor Company are appended in the attached reports i.e., ‘**Annexure IV and Annexure V**’, respectively, adopted by the respective Board of Directors of the Company and the Transferor Company, respectively, at their meeting held on 12 July 2022 and 25 February 2023, pursuant to the provisions of Section 232(2)(c) of the Act.

B. Directors

- (i) No change in the Board of Directors of the Company is envisaged pursuant to the Scheme. Pursuant to the Scheme, the Transferor Company will be dissolved without winding up. Therefore, the existing directors of the Transferor Company shall cease to be the directors of Transferor Company upon the Scheme becoming effective.
- (ii) It is clarified that the composition of the Board of Directors of the companies may change by appointments, retirements or resignations or to ensure compliance of the provisions of the Act, SEBI Listing Regulations and Memorandum and Articles of Association of such companies but the Scheme itself does not affect the office of Directors of such companies.

C. Employees

Pursuant to the Scheme, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company.

D. Creditors

Pursuant to the Scheme, all creditors of the Transferor Company will become creditors of the Transferee Company.

The rights of the respective creditors of the Company and Transferor Company shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. The creditors of the Company and Transferor Company would not be prejudiced in any manner as a result of the Scheme being sanctioned.

E. Debenture holders and Debenture Trustees

The Company and the Transferor Company have not issued any debentures and accordingly have not appointed any debenture trustee(s).

F. Depositors and Deposit Trustees

The Company and the Transferor Company have not taken any deposits within the meaning of the Act and Rules framed thereunder and accordingly have not appointed any deposit trustee(s).

X. NO INVESTIGATION PROCEEDINGS

There are no proceedings pending under Sections 210 to 227 of the Act against the Company and the Transferor Company.

XI. AMOUNTS DUE TO UNSECURED CREDITORS

The amount due to unsecured creditors by the respective companies, as on 31st March 2023 is as follows:

Sr. No.	Particulars	Amount in INR
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1.	Rossell India Limited	46,82,22,606
2.	BMG Enterprises Limited	14,70,000

XII. DETAILS OF SHARE CAPITAL/ DEBT RESTRUCTURING, IF ANY

- A. Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall issue 2,47,31,795 fully paid-up equity share of Rs 2 each to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company.
- B. On the Scheme becoming effective, the equity shares of the Transferee Company held by the Transferor Company shall stand cancelled. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company.
- C. On the Scheme becoming effective, the authorized share capital of the Transferor Company comprising of equity shares of face value of Rs 100 (Rupees Hundred) each, shall be split and be reclassified as equity share of face value of Re 2 (Rupee Two) each and get combined with the authorized share capital of the Transferee Company without any further act or deed on the part of the Transferee Company, including payment of Stamp Duty and Registrar of Companies fees, by the authorized share capital of the Transferor Company.
- D. The Scheme does not involve any debt restructuring and therefore the requirement to disclose details of debt restructuring is not applicable.

XIII. VALUATION REPORT AND FAIRNESS OPINION

Background

- A. The Share Exchange Ratio for the Scheme of Amalgamation has been fixed on the basis of the Valuation Report dated 12th July 2022 along with addendum thereon dated 25th February 2023 issued by CA Harsh Chandrakant Ruparelia, Registered Valuer. The valuation has been done in accordance with internationally accepted valuation standards.
- B. The Transferor Company holds 2,47,31,795 equity shares of Rs. 2 each fully paid up, representing about 65.61% of the total paid up share capital of the Transferee Company. The equity shares held by the Transferor Company in the Transferee Company will be cancelled and extinguished pursuant to the Scheme becoming effective and equal no. of shares with same terms and rights attached thereto in the Transferee Company in proportion to their holding in the Transferor Company shall be issued to the equity shareholders of the Transferor Company as a part of the Scheme. Thus, for every fresh issue of shares by the Transferee Company as a part of the Scheme, there is corresponding cancellation of an existing share (equity), as held by the Transferor Company.
- C. For the purposes of valuation, the following weights to the valuation methodologies have been provided:

Particulars	BMG Enterprises Limited	Rossell India Limited
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Methods	Value per share (INR)	Weights	Value per share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Relative Value per share	NA		NA	

- D. Since, upon the Scheme becoming effective, 2,47,31,795 equity shares of Rs. 2 each fully paid up, representing about 65.61% of the total paid up share capital of the Transferee Company shall get cancelled, the same no. of equity shares will be issued to the equity shareholders of the Transferor Company in the manner provided under the Scheme.
- E. A copy of the Valuation Report dated 12th July 2022 along with addendum thereon dated 25th February 2023 issued by CA Harsh Chandrakant Ruparelia, Registered Valuer (IBBI Registration No. IBBI/RV/05/2019/11106) (ICAI Membership No. 160171) recommending the Share Exchange Ratio (“Valuation Report”), in connection with the Scheme is appended as ‘**Annexure VI**’.
- F. A copy of the fairness opinion report dated 12th July 2022 along with addendum thereon dated 25th February 2023 issued by Fedex Securities Private Limited, an Independent SEBI Registered Merchant Banker, confirming that the Share Exchange Ratio is fair and proper is appended as ‘**Annexure VII**’.

XIV. INFORMATION PERTAINING TO UNLISTED COMPANIES INVOLVED IN THE SCHEME IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

Information pertaining to the unlisted companies involved in the Scheme, i.e. the Transferor Company in the format specified for abridged prospectus as provided in SEBI Circular No. SEBI/HO/CFD/ SSEP/CIR/P/2022/14 dated 04 February 2022 read with Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with certificates issued by Fedex Securities Private Limited, an Independent SEBI Registered Merchant Banker certifying the adequacy of disclosures are appended as ‘**Annexure VIII**’.

XV. SHAREHOLDING PATTERN

A. The pre/ post-scheme shareholding pattern of the parties to the Scheme:

(i) Company

The pre & post scheme shareholding pattern of the Company is as follows:

Shareholding pattern – Equity Shares	Pre		Post	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	2,81,98,233	74.80	2,81,98,233	74.80

Public	94,98,242	25.20	94,98,242	25.20
Custodian	0	0	0	0
TOTAL	3,76,96,475	100.00	3,76,96,475	100.00

(ii) Transferor Company

The pre & post scheme shareholding pattern of the Transferor Company is as follows:

Shareholding pattern-Equity Shares	Pre		Post	
	Category	No. of Shares	% of holding	No. of Shares
Promoter	92,332	100	Merged into RIL – Cease to Exist	
Public	0	0		
Custodian	0	0		
TOTAL	92,332	100		

B. Pre/ post Scheme capital structure of the Company and the Transferor Company

(i) Company

The pre-scheme capital structure of the Company is given in Paragraph IV(A)(v) above. The post scheme indicative capital structure of the Company will be as follows:

Particulars	Amount in Rs.
Authorised Capital	
6,30,00,000 Equity Shares of Rs. 2 each	12,60,00,000
14,00,000 Preference Shares of Rs. 10 each	1,40,00,000
Total	14,00,00,000
Issued Subscribed and Paid-up Capital	
3,76,96,475 Equity shares of Rs. 2 each	7,53,92,950
Total	7,53,92,950

(ii) Transferor Company

The pre-scheme capital structure of the Transferor Company is given in Paragraph IV (B)(v) above. Post-scheme capital structure of the Transferor Company is not applicable as the Transferor Company will be dissolved without winding up pursuant to the Scheme.

XVI. AUDITORS CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS

The respective Statutory Auditors of the Company and the Transferor Company have confirmed that the accounting treatment in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 and other Generally

XVII. DETAILS OF ASSETS AND LIABILITIES OF THE TRANSFEROR COMPANY TRANSFERRED TO THE TRANSFEREE COMPANY

The details of the assets and liabilities of the Transferor Company which would be transferred to the Transferee Company as on the appointed date viz. 1st July, 2022 are provided below:

Particulars	As at 30 th June, 2022 (Rs. In Lakhs)
I.ASSETS	
(1) Financial assets	
(a) Cash and Cash Equivalents	4.83
(b) Loans	0.64
(c) Investment	501.75
(d) Other Financial Assets	65.08
Total Financial Assets	572.30
(2) Non-Financial Assets	
(a) Current Tax asset (net)	31.98
(b) Deferred Tax Assets (Net)	1.49
(c) Property, Plant & Equipment	1.28
(d) Other Non-Financial Assets	7.30
Total Non-Financial Assets	42.05
TOTAL ASSETS (A)	614.35
II. LIABILITIES	
(1) Financial Liabilities	
(a) Payables	
Trade Payable	21.94
Total Financial Liabilities	21.94
(2) Non-Financial Liabilities	
(i) Current Tax Liabilities (Net)	227.42
(ii) Other Non-Financial Liabilities	8.81
Total Non-Financial Liabilities	236.23
Total Liabilities (B)	258.17
NET ASSETS (A-B)	356.18

XVIII. DETAILS OF ASSETS AND LIABILITIES OF TRANSFEREE COMPANY PRE AND POST AMALGAMATION

The details of the assets and liabilities of the Transferee Company pre and post amalgamation are provided below:

Particulars	Pre- Amalgamation	Post Amalgamation
	30th June, 2022 (Rs. In Lakhs)	30th June, 2022 (Rs. In Lakhs)
I. ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	24,157.83	24,159.11
(b) Capital work-in-progress	659.12	659.12
(c) Other Intangible Assets	286.71	286.71
(d) Intangible Assets Under Development	333.42	333.42
(e) Investment in Subsidiary and Associate	75.13	75.13
(g) Financial Assets		-
(i) Non-Current Investments	1,847.99	2,349.74
(ii) Loans	5.30	5.30
(iii) Other Financial Assets	554.42	554.42
(h) Other Non-current Assets	98.54	104.96
Total Non-Current Assets	28,018.46	28,527.91
(2) Current assets		
(a) Inventories	13,957.61	13,957.61
(b) Biological Assets other than Bearer Plants	124.10	124.10
(c) Financial Assets		-
(i) Trade Receivables	3,324.55	3,324.55
(ii) Cash and Cash Equivalents	416.85	421.68
(iii) Other Bank Balances	7.15	7.15
(iv) Loans	13.03	13.67

(v) Other Financial Assets	5.37	70.45
(d) Current Tax Assets (Net)	35.82	35.82
(e) Other Current Assets	1,747.10	1,747.97
Total Current Assets	19,631.58	19,703.00
TOTAL ASSETS (A)	47,650.04	48,230.91
II. LIABILITIES		
(a) Non-Current Liabilities		
(i) Financial Liabilities		
Borrowings	2,249.19	2,249.19
(ii) Deferred Tax Liabilities (Net)	61.18	59.69
(iii) Other Non-Current Liabilities	209.92	218.73
Total Non-Current Liabilities	2,520.29	2,527.61
(b) Current Liabilities		
(i) Financial Liabilities		
Borrowings	13,079.31	13,079.31
Trade Payables	2,435.65	2,457.58
Other Financial Liabilities	240.92	240.92
(ii) Other Current Liabilities	2,670.39	2,670.39
(iii) Current Tax Liabilities (Net)	45.58	241.03
Total Current Liabilities	18,471.85	18,689.23
Total Liabilities (B)	20,992.14	21,216.84
Net Assets (A-B)	26,657.90	27,014.07

XIX. IMPACT OF AMALGAMATION ON REVENUE GENERATING CAPACITY OF TRANSFEREE COMPANY

The Transferor Company is primarily engaged in holding investments. The Transferor Company does not hold any investments other than investment in the Transferee Company or undertake any other business operations. Further, the Transferor Company does not hold any assets or liabilities that will impact the revenue generating Capacity of the Transferee Company. Hence, there would be no change in the financial position and the revenue generating capacity of the Transferee Company.

XX. APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME

- A. In terms of Regulation 37 of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 (“SEBI Master Circular”), BSE and NSE, by their respective Observation Letters dated 22 May 2023 and 23 May 2023, have conveyed “no adverse observations/ no-objection” on the Scheme. Copies of the said letters issued by BSE and NSE are appended hereto as ‘**Annexure IX and X**’ respectively. Further, in terms of the said SEBI Master Circular, the Company has not received any complaint relating to the Scheme and “NIL” complaints reports were filed by the Company with BSE and NSE, copies of which are appended hereto as ‘**Annexure XI and Annexure XII**’. As per the requirements of above Observation Letters, details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors are appended hereto as ‘**Annexure XIII**’.
- B. A copy of the Scheme has been filed by the Company and the Transferor Company with the Registrar of Companies, Kolkata.
- C. The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities in terms of the Tribunal Order.
- D. All approvals as stated in Clause 19 (Conditionality of the Scheme) of the Scheme, in order to give effect to the Scheme will be obtained. Additionally, the Company and the Transferor Company will obtain such approvals / sanctions / no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.

XXI. INSPECTION OF DOCUMENTS

In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Company at www.rossellindia.com:

- A. Audited Standalone and Consolidated financial statements of the Company for the year ended 31 March 2023;
- B. Audited financial statements of the Transferor Company for the year ended 31 March 2023;
- C. Copy of the Tribunal Order;
- D. Copy of the Scheme of Amalgamation;

- E. Certificate of the Statutory Auditor of the Company, confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India;
- F. Memorandum and Articles of Association of the Company and the Transferor Company;
- G. Valuation Report issued by CA Harsh Chandrakant Ruparelia, Registered Valuer;
- H. Fairness opinion issued by Fedex Securities Private Limited, an Independent SEBI Registered Merchant Banker;
- I. Observation letters dated 22 May 2023 and 23 May 2023 issued by BSE and NSE respectively;
- J. Report of the Board of Directors of the Company and the Transferor Company pursuant to Section 232(2)(c) of the Act;
- K. Report of the Audit Committee and Committee of Independent Directors of the Company recommending the Scheme;
- L. Complaint report submitted by the Company to BSE and NSE;
- M. All other documents displayed on the Company's website i.e., www.rossellindia.com in terms of the SEBI Circular;
- N. All other documents referred to or mentioned in the Statement to this Notice.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Company recommend the Scheme for approval of the Equity Shareholders.

Mr. Rahul Auddy
Chairperson appointed by the Tribunal for the Meeting

Place: Kolkata
Date: 24th July, 2023

Registered Office:
Jindal Towers, Block – “B”,
4th Floor, 21/1A/3, Darga Road,
Kolkata, West Bengal 700017, India
CIN: L01132WB1994PLC063513
Website: www.rossellindia.com
E-mail: corporate@rosselltea.com
Tel.: 033 2287 4794

SCHEME OF AMALGAMATION

BETWEEN

BMG ENTERPRISES LIMITED (“THE TRANSFEROR COMPANY”)

AND

ROSSELL INDIA LIMITED (“THE TRANSFEREE COMPANY”)

AND

THEIR RESPECTIVE SHAREHOLDERS

PREAMBLE

This Scheme of Amalgamation and Arrangement is presented under Sections 230-232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 / Companies Act, 1956, as may be applicable, for amalgamation of BMG Enterprises Limited with Rossell India Limited.

PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

PART A	Deals with the definitions and share capital
PART B	Deals with amalgamation of BMG Enterprises Limited with Rossell India Limited
PART C	Deals with other terms and conditions.

PART A - DEFINITIONS & SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 1956 and Companies Act, 2013 (to the extent applicable) and rules made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force. Any references to the provisions of the Companies Act, 1956 shall be construed to be references to the corresponding provisions in the Companies Act, 2013.
- 1.2 **“Appointed Date”** means 1st July, 2022 or such other date as may be approved by the National Company Law Tribunal or any other competent authority for the purposes of amalgamation of BMG Enterprises Limited with Rossell India Limited.
- 1.3 **“Board” or “Board of Directors”** means the Board of Directors of the Transferor Company or of the Transferee Company as the context may require and shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of Directors;
- 1.4 **“Effective Date”** means the later of the dates on which the certified copy of the orders of the NCLT sanctioning the Scheme are filed with the Registrar of Companies.
- 1.5 **“Record Date”** means the date fixed by the Board of Directors or committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Company to whom New Equity Shares will be allotted pursuant to this Scheme.
- 1.6 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.7 **“Stock Exchanges”** means National Stock Exchange of India Limited and the BSE Limited;

- 1.8 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation and Arrangement in its present form as submitted with the NCLT or this Scheme with any modification(s) made under Clause 18 of the Scheme.
- 1.9 **"Transferee Company" or "RIL"** means Rossell India Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Jindal Towers, Block - "B", 4th Floor, 21/1a/3, Darga Road, Kolkata – 700017, West Bengal, India.
- 1.10 **"Transferor Company" or "BMG"** means BMG Enterprises Limited a company incorporated under the Companies Act, 1956 and having its registered office at 1st Floor, DCM Bldg, 16 Barakhamba Road, New Delhi – 110001, India. The Transferor Company has filed an application with Registrar of Companies, Delhi for changing its registered office to Jindal Towers, Block - "B", 4th Floor, 21/1a/3, Darga Road, Kolkata – 700017, West Bengal, India.
- 1.11 **"Tribunal" or "the NCLT"** means the National Company Law Tribunal, Kolkata Bench and National Company Law Tribunal, Delhi Bench;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. SHARE CAPITAL

- 2.1 The share capital of the Transferor Company as on 31st March, 2022 is as under:

Particulars	Amount in Rs.
Authorised Capital	
5,00,000 Equity shares of Rs. 100 each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-up Capital	
92,332 Equity shares of Rs. 100 each	92,33,200
Total	92,33,200

Subsequent to the above date and until the Board approving the Scheme, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company.

2.2 The share capital of the Transferee Company as on 31st March, 2022 is as under:

Particulars	Amount in Rs.
Authorised Capital	
4,50,00,000 Equity Shares of Rs. 2 each	9,00,00,000
Total	9,00,00,000
Issued Subscribed and Paid-up Capital	
3,66,96,475 Equity shares of Rs. 2 each	7,33,92,950
Total	7,33,92,950

As on date of the Scheme being approved by the Board of Directors of the Transferee Company, there has been a change in the issued, subscribed and paid-up capital of the Transferee Company which is as under:

Particulars	Amount in Rs.
Authorised Capital	
3,80,00,000 Equity Shares of Rs. 2 each	7,60,00,000
14,00,000 Preference Shares of Rs. 10 each	1,40,00,000
Total	9,00,00,000
Issued Subscribed and Paid-up Capital	
3,66,96,475 Equity shares of Rs. 2 each	7,33,92,950
10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each	1,00,00,000
Total	8,33,92,950

Further, as on the date of Board approving this Scheme, the Transferor Company was holding 2,37,63,795 equity shares of Rs. 2 each fully paid up, representing about 64.76% of the total paid up share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each fully paid up in the Transferee Company. Subsequent to the approval of the Scheme, 10,00,000 0.01% CCPS of Rs 10 each fully paid up has been converted into 10,00,000 equity shares of Rs 2 each fully paid up, as per the agreed terms and the same are being held by the Transferor Company. Also, based on the direction of the Stock Exchange and SEBI to fulfill the requirements as per the regulations, the Transferor Company has sold 32,000 equity shares of the Transferee Company. Hence, as per the revised holding, the Transferor Company now holds 2,47,31,795 equity shares of Rs 2 each fully paid up of the total paid up share capital of the Transferee Company. The present issued, subscribed and paid-up capital of the Transferee Company is as under:

Particulars	Amount in Rs.
Authorised Capital	
3,80,00,000 Equity Shares of Rs. 2 each	7,60,00,000
14,00,000 Preference Shares of Rs. 10 each	1,40,00,000
Total	9,00,00,000
Issued Subscribed and Paid-up Capital	
3,76,96,475 Equity shares of Rs. 2 each	7,53,92,950
Total	7,53,92,950

The change in the above Share Capital is only due to the conversion of CCPS into equity shares. Further there is no other change in the capital structure of the Transferee Company.

Also, as mentioned in para 6 below, there is no change in the overall consideration to be discharged on amalgamation save and except that the consideration to be issued as preference shares shall now be issued as equity shares.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

**PART B - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE
TRANSFEEE COMPANY**

4. RATIONALE FOR THE SCHEME

It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the shareholders of the Transferor Company viz. the promoters of the Transferor Company (who are also the promoters of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a) The merger will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company;
- b) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- c) The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the promoters directly;
- d) Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee

Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of all the assets of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 read with Section 52 and Section 66 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).

5. TRANSFER AND VESTING

- 5.1 With effect from the Appointed Date, the Transferor Company including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, loans and advances, licenses, permits, approvals, lease, tenancy rights, titles, permissions, if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date shall stand transferred to and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.
- 5.2 Without prejudice to Clause 5.1, all movable assets including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi-government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in Transferee Company without any notice or other intimation to the debtors (although Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the

said debt, loan, advance, balance or deposit stands transferred and vested in Transferee Company) subject to existing charges or lis pendens, if any thereon.

- 5.3 The liabilities (including contingent liabilities) shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.
- 5.4 This Scheme has been drawn up to comply with the conditions relating to “amalgamation” as specified under Section 2(1B) of the Income -tax Act, 1961. If any terms or provisions of the Scheme are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall to the extent of such inconsistency prevail and the Scheme shall stand modified to that extent to comply with Section 2(1B) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.
- 5.5 Pursuant to the Scheme becoming effective, Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of Transferor Company to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.
- 5.6 The Transferee Company shall be entitled to file/revise its income tax returns/ tds certificates/TDS returns/ GST Returns and other statutory returns, if required and shall have the right to claim refunds, advance tax credits, credits of all taxes paid/withheld, if any, as may be required consequent to implementation of this scheme.

6. CONSIDERATION

6.1 Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of Transferor Company holding fully paid-up equity shares of Transferor Company and whose names appear in the register of members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion:

“2,47,31,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company”

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as “New Equity Shares”).

6.2 In the event that the New Equity shares to be issued result in fractional entitlement, the Board of director of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer.

6.3 However, in no event, the number of New Equity shares to be allotted by the Transferee Company to the shareholders of the Transferor Company shall exceed the total number of equity shares held by the Transferor Company in the Transferee Company.

6.4 The New Equity Shares to be issued to the members of Transferor Company as per clause 6.1 above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company. The New Equity Shares shall rank pari-passu in all respects, including dividend, with the existing equity shares of Transferee Company.

6.5 The investment held by the Transferor Company in the equity share capital of the Transferee Company shall, without any further application, act, instrument or deed

stand cancelled. The shares held by Transferor Company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.

6.6 The New Shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company shall be issued in dematerialized form.

6.7 The New Equity Shares of the Transferee Company shall be listed and/ or admitted to trading on the Stock Exchanges on which the existing equity shares of the Transferee Company are listed at that time. The Transferee Company shall enter into such arrangements and give such confirmation and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.

6.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Transferee Company of New Equity Shares to the members of the Transferor Company under the Scheme.

6.9 The approval of this Scheme by the members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 42 and 62 of the Act, for the issue and allotment of New Equity Shares by the Transferee Company to the members of the Transferor Company, as provided in the Scheme.

7. CANCELLATION OF EQUITY SHARES OF THE TRANSFEE COMPANY HELD BY THE TRANSFEROR COMPANY

7.1 On the Scheme becoming effective, the equity shares of the Transferee Company held by the Transferor Company shall stand cancelled. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company.

7.2 Such reduction of share capital of the Transferee Company as provided in Clause 7.1 above shall be effected as an integral part of the Scheme and the orders of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under Section 66 of the Act will be

necessary. The Transferee Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon such reduction.

8. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under –

- 8.1 With effect from the Appointed Date, all the assets and liabilities (including contingent liabilities) appearing in the books of accounts of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values.
- 8.2 The equity shares of the Transferee Company held by the Transferor Company shall stand cancelled in accordance with Clause 7.1 of the Scheme and as a result equivalent equity of the Transferee Company and the book value of investments held by the Transferor Company in the Transferee Company recorded as per Clause 8.1 above shall stand cancelled.
- 8.3 The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 6.1 above shall be credited to the Equity Share Capital Account respectively of the Transferee Company.
- 8.4 The difference, if any, of the value of assets over the value of liabilities and reserves transferred to the Transferee Company as stated above and the face value of New Equity Shares issued by the Transferee Company, after providing for adjustments as stated above shall be adjusted in the Capital Reserve of the Transferee Company.
- 8.5 The Transferee Company shall account for the amalgamation in its books as per the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act and the accounting treatment prescribed above, to the extent consistent with IndAS.

9. REORGANISATION AND COMBINATION OF AUTHORISED SHARE CAPITAL

- 9.1 Upon this Scheme becoming effective, pursuant to the applicable provisions of the Act and Article V of the Memorandum of Association of the Transferor Company and Transferee Company, the authorized share capital of the Transferor Company as on the Effective Date shall be transferred to the Transferee Company. Immediately thereafter, as an integral part of this Scheme, the authorized share capital of the Transferor Company comprising of equity shares of face value of Rs 100 (Rupees Hundred) each, shall be split and be reclassified as equity share of face value of Re 2 (Rupee Two) each and get combined with the authorized share capital of the Transferee Company without any further act or deed on the part of the Transferee Company, including payment of Stamp Duty and Registrar of Companies fees, by the authorized share capital of the Transferor Company.
- 9.2 Consequently, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increase and reclassification of authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase and reclassification in the authorised share capital to that extent.
- 9.3 Pursuant to the Scheme becoming effective and consequent to the amalgamation of the Transferor Company with the Transferee Company, the authorised share capital of the Transferee Company would be increased and reclassified as under:

Particulars	Amount (in Rs.)
Authorised Capital	
6,30,00,000 Equity Shares of Rs. 2 each	12,60,00,000
14,00,000 Preference Shares of Rs. 10 each	1,40,00,000
Total	14,00,00,000

- 9.4 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Act and other applicable provisions of the Act and be replaced by the following clause:

“The Authorised Share Capital of the Company is Rs. 14,00,00,000 (Rupees Fourteen Crores) divided into 6,30,00,000 (Six Crore Thirty Lakh) Equity Shares of Rs. 2/- (Rupees Two only) each and 14,00,000 (Fourteen Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each, with power for the Company to increase, reduce, cancel, reclassify, subdivide or consolidate and to issue any part of its capital, original or increased with or without any preference, priority or special privileges or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue be otherwise, shall subject to the powers herein before contained.”

- 9.5 It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall be deemed to be their consent/approval, also to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

- 10.1 The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to business of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 10.2 The Transferor Company shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof of the Transferor Company.

- 10.3 Any income accruing or arising to the Transferor Company shall for all purposes be treated and deemed to be in profits or income of the Transferee Company.
- 10.4 With effect from the Appointed Date and upto and including the Effective Date, in the event the Transferee Company distributes dividend (including interim dividend) or issues bonus shares or offers right shares to its members, the Transferor Company shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferee Company.
- 10.5 Until the Effective Date, the Transferor Company may utilize its income/available cash, if any, for meeting its expenses in the ordinary course of business or for the purpose specified in the scheme.
- 10.6 Until the Effective Date, the holders of shares of the Transferor Company shall, save as expressly provided otherwise in the scheme, continue to enjoy their existing rights under the Articles of Association of the Transferor Company including the right to receive dividends.

11. EMPLOYEES

- 11.1 On the Scheme becoming effective all the employees, if any, of the Transferor Company shall become the employees of the Transferee Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit / compensation, other terminal benefits, such immediate uninterrupted past services with the Transferor Company shall also be taken into account.
- 11.2 In relation to those employees of the Transferor Company for whom the Transferor Company are making contributions to the government provident fund, the Transferee Company shall stand substituted for such Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees of the Transferor Company.

12. LEGAL PROCEEDINGS

- 12.1 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 12.2 The Transferor Company has undertaken that there are no pending litigations or other proceedings of whatsoever nature by or against it, other than the one disclosed.
- 12.3 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.
- 12.4 The shareholders of the Transferor Company shall indemnify the Transferee Company from any loss, liability, cost, charges and / or expenses arising due to any disputes or litigations as specified in Clause 14 below.

13. CONTRACTS, DEEDS, ETC.

- 13.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements of whatsoever nature pertaining to the Transferor Company to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 13.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The

Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

14. INDEMNITY BY SHAREHOLDERS OF TRANSFEROR COMPANY

The shareholders of the Transferor Company shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively, the “Indemnified Persons”) for losses, liabilities, costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Company with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Company.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 5 above and the continuance of proceedings by or against the Transferor Company under Clause 12 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date (both days inclusive), to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

16. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.

On and from the Effective Date, name of the Transferor Company shall be removed from the records of the Registrar of Companies and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.

PART C - GENERAL TERMS AND CONDITIONS

17. APPLICATION TO NCLT

The Transferor Company and the Transferee Company shall with all reasonable dispatch make all necessary applications under Sections 230-232 read with Section 66 of the Act and other applicable provisions of the Act to the NCLT, within whose jurisdiction the registered offices of the Transferor Company and the Transferee Company are situated for sanctioning the Scheme.

18. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Tribunal and/or any other statutory/regulatory authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

19. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

19.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT or any other Appropriate Authority, as may be applicable.

19.2 The Scheme being approved by the “public” shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(10)(a) of Annexure I of SEBI Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021; provided that the same shall be acted upon only if the votes cast by the “public” shareholders in

favor of the proposal are more than the number of votes cast by the “public” shareholders against it.

- 19.3 The sanction of the Scheme by the NCLT or any other authority under Sections 230 to 232 and other applicable provisions of the Act and the necessary order being filed with the Registrar of Companies.
- 19.4 Authenticated / certified copy of the orders of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Company and the Transferee Company.
- 19.5 The requisite, consent, approval or permission of statutory or regulatory authorities, if any, which by law may be necessary for the implementation of this Scheme, being obtained.

20. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the order not being passed as aforesaid before March 31, 2024 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

21. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing this Scheme and matters incidental shall be borne by the Transferor Company and / or its shareholders.

A light blue cup and saucer are centered on the page. The cup is filled with a light blue liquid, and two wavy lines of steam rise from the top. The saucer is a simple, flat, light blue shape. The background is a light blue gradient.

Financial Statements



Independent Auditors' Report

TO THE MEMBERS OF ROSSELL INDIA LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Rosell India Limited ("the Company"), which comprise of the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section in our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence and ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Independent Auditors' Report

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are also responsible for overseeing the Company's reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company had adequate internal financial controls system with reference to financial statement and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting in respect of standalone financial statement and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's



Independent Auditors' Report

report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1.A As required by Section 143(3) of the Act, based on our audit we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the Directors as on March 31, 2023 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- B With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The financial statements disclose the impact of pending litigations as at 31 March 2023 on the financial position of the company. Refer Note.42 to the financial statements.
 - b. The company did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2023.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 - d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:



Annexure – A to the Auditors' Report

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d)(i) and (d)(ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company are in compliance with section 123 of the Act.

- C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Khandelwal Ray & Co.**,
Chartered Accountants
(Registration No.302035E)

Pinaki Sarkar
Partner

Membership No. 051449
UDIN: 23051449BGRVTS8376

Place : Kolkata
Date : 27th May, 2023



Annexure – A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Rosell India Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Annexure – A to the Auditors' Report

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Khandelwal Ray & Co.**,
Chartered Accountants
(Registration No.302035E)

Place : Kolkata
Date : 27th May, 2023

Pinaki Sarkar
Partner
Membership No. 051449
UDIN: 23051449BGRVTS8376



Annexure – B to the Auditors' Report

Referred to in paragraph I under Report on "Other Legal and Regulatory Requirements", section of our Report of even date:

- i. a) (A) The Company has maintained proper records to show full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) These Property, Plant and Equipment have been physically verified by the management at a reasonable interval. No material discrepancies were noticed on such verification as compared to book records.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than immovable properties where the company is the lessee and the lease agreement are duly executed in favour of lessee) disclosed in the financial statements are in the name of the Company, except one Tea Estate, details of which are given below:

Description of property	Gross carrying value (₹ in Lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where applicable	Reason for not being held in the name of the Company
Kharikatia Tea Estate	3,504.24	Kharikatia Tea & Industries Limited	Not Applicable	Since 2012	Pending sale permission from the concerned authorities of the Government of Assam

The immovable properties comprising five Tea Estates (having registered Deed of Conveyance) as well as Land and Buildings located at Bangalore are mortgaged with the Banks in connection with various credit facilities being availed for the purpose of business of the Company, as confirmed by them.

- (d) According to the information and explanation given to us and on the basis of our examination of the records of the Company that the Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company there are no proceeding initiated or pending against the Company for holding any benami properties under the prohibition of Benami Properties Transaction Act, 1988 and rules made there under.
- ii. (a) The inventory, excluding those lying with third parties, have been physically verified by the management during the year, at reasonable intervals. No discrepancies noticed on such verification of stocks as compared to book records that were 10% or more in the aggregate for each class of inventories.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from Banks on the basis of security of current assets and the quarterly returns / statements filed by the Company with the Banks are in agreement with the books of account of the company.
- iii. (a) According to information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or any other Parties.

(b) According to information and explanation given to us and based on the audit procedures conducted by us we are of the opinion that the terms and conditions of the investment, made during the year aggregating to Rs.15.01 Crores, are prima facie not prejudicial to the company's interest.

(c) In view of the above comments this clause is not applicable for the company.



Annexure – B to the Auditors' Report

- (d) In view of the above comment this clause is not applicable for the company.
- (e) In view of the above comment this clause is not applicable for the company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of Companies Act, 2013 with respect to loans and investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to Section 76A of the Companies Act 2013 and the Rules framed thereunder. Accordingly clause 3(v) of the order is not applicable
- vi. The Central Government has specified for the maintenance of cost records under sub-sec. (1) of Sec.148 of the Companies Act 2013. We have broadly reviewed the records and Accounts maintained by the Company. We are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of such records to determine whether records are accurate and complete.
- vii. (a) According to the information and explanation given to us and on the basis of records of the Company examined by us, we are of the opinion that the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and services tax, duty of custom and cess and other material statutory dues applicable to it.

There is no arrears outstanding statutory dues as at the last day of the financial year for a period of more than 6 months from the date they became payable.

- (b) According to the information and explanation given and records examined by us, there are no statutory dues, which have not been deposited on account of any dispute except for the following:

Name of the Statute	Nature of the Dues	Amount (₹ In lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	1,067.20	AY 2020-2021 and AY 2021-2022	Commissioner of Income Tax (Appeals)

- viii. The Company has not surrendered or disclosed any transactions previously unrecorded as Income in the books of account in the tax assessment under the Income Tax Act 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any Bank or financial institution or Government or Government Authority.
- (c) According to the information and explanations given to us by the management and on the basis of examination of the records of the company, the Term Loans were applied for the purpose for which loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has raised funds on short-term basis, which has not been utilised for long term purposes. Accordingly, clause 3(ix)(d) of the Order is not applicable.



Annexure – B to the Auditors' Report

- (e) According to the information and explanations given to us and on an overall examination of the financial statement of the company, we report that the company has not taken any funds from any entity or person on account of or as defined under the Companies Act 2013 to meet the obligations of its subsidiaries, associates or joint venture and accordingly 3(ix)(e) of the order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instrument during the year). Accordingly, clause 3(x)(a) of the Order is not applicable.
(b) The company has made preferential allotment of shares during the year and requirement of section 62 of the Companies Act 2013 have been complied with and fund raised have been used for the purpose for which the fund was raised. Company has not made any other private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. (a) Best on examination of books and records of the Company, carried out by us and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported.
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) According to the information and explanations given to us, no complaint has been received from the whistle blower during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company. Accordingly clause 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the company has an Internal Audit System commensurate with the size of the company and nature of its business.
(b) We have considered, the Internal Audit Reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) According to the information and explanations provided to us during the course of audit, the Group (as defined in the Core Investment Companies (Reserve Bank) Directors, 2016) has one CIC viz. the parent - BMG Enterprises Ltd. Accordingly, the requirements of reporting under clause 3(xvi) (d) of the Order is not applicable.



Annexure – B to the Auditors' Report

- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly clause 3(xviii) of the order is not applicable.
- xix. On the basis of Financial Ratios, Ageing of Receivables, expected date of realization of financial assets and payment of financial liabilities, other information accompanied financial statements, our knowledge about Board of Directors and management plan, we are of the opinion that no material uncertainties exist as on the date of Audit Report that Company is not capable of meeting its liabilities existing on the date of Balance Sheet as and when falls due within a period of one year from the Balance Sheet date.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under subsection 5 of section 135 of the Companies Act 2013 pursuant to any CSR project. Accordingly clause 3(xx)(a) and 3(xx)(b) of the order is not applicable.

For **Khandelwal Ray & Co.**,
Chartered Accountants
(Registration No.302035E)

Pinaki Sarkar
Partner

Membership No. 051449
UDIN: 23051449BGRVTS8376

Place : Kolkata
Date : 27th May, 2023

**Balance Sheet** as at 31st March, 2023

₹ in Lakhs

Particulars		Note No.	31st March, 2023	31st March, 2022
I. ASSETS				
(1)	Non-current Assets			
(a)	Property, Plant and Equipment	4	24,148.65	23,098.81
(b)	Capital work-in-progress	5	412.50	572.33
(c)	Other Intangible Assets	6	882.82	313.62
(d)	Intangible Assets Under Development	7	81.14	333.42
(e)	Investment in Subsidiary and Associate	8	76.13	75.13
(f)	Financial Assets			
(i)	Non-Current Investments	9	1,847.99	1,847.99
(ii)	Loans	10	6.13	0.84
(iii)	Other Financial Assets	11	373.03	552.57
(g)	Other Non-current Assets	12	70.38	87.66
	Total Non-Current Assets		27,898.77	26,882.37
(2)	Current Assets			
(a)	Inventories	13	15,168.48	12,173.49
(b)	Biological Assets other than Bearer Plants	14	67.06	110.45
(c)	Financial Assets			
(i)	Investments	15	1,525.54	-
(ii)	Trade Receivables	16	4,778.01	3,314.39
(iii)	Cash and Cash Equivalents	17	47.03	177.12
(iv)	Other Bank Balances	18	5.57	7.15
(v)	Loans	19	6.23	11.57
(vi)	Other Financial Assets	20	1.63	1.63
(d)	Current Tax Assets (Net)	21	32.05	30.59
(e)	Other Current Assets	22	1,855.91	2,139.85
	Total Current Assets		23,487.51	17,966.24
	TOTAL ASSETS		51,386.28	44,848.61
II. EQUITY AND LIABILITIES				
(1)	Equity			
(a)	Equity Share Capital	23	753.93	733.93
(b)	Other Equity		27,913.17	23,879.03
	Total Equity		28,667.10	24,612.96
(2)	Liabilities			
(a)	Non-Current Liabilities			
(i)	Financial Liabilities			
	Borrowings	24	1,499.46	2,499.10
(ii)	Deferred Tax Liabilities (Net)	25	112.17	64.18
(iii)	Other Non-Current Liabilities	26	222.84	209.92
	Total Non-Current Liabilities		1,834.47	2,773.20
(b)	Current Liabilities			
(i)	Financial Liabilities			
	Borrowings	27	14,661.89	12,846.24
	Trade Payables	28		
	- Total outstanding dues of micro enterprises and small enterprises		89.04	23.20
	- Total outstanding dues other than micro enterprises and small enterprises		2,668.63	2,322.87
	Other Financial Liabilities	29	212.50	173.27
(ii)	Other Current Liabilities	30	3,207.06	2,051.28
(iii)	Current Tax Liabilities (Net)	31	45.59	45.59
	Total Current Liabilities		20,884.71	17,462.45
	Total Liabilities		22,719.18	20,235.65
	TOTAL EQUITY AND LIABILITIES		51,386.28	44,848.61

In terms of our Report of even date

For **Khandelwal Ray & Co.**,
Chartered Accountants
Registration No. 302035E

Pinaki Sarkar
Partner
Membership No.051449
Place: Kolkata
Date: 27th May, 2023

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP



Profit and Loss Statement for the year ended 31st March, 2023

₹ in Lakhs

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
INCOME			
Revenue from operations	32	35,358.32	29,902.80
Other Income	33	395.36	425.79
Total Income		35,753.68	30,328.59
EXPENSES			
Cost of materials consumed	34	9,328.72	6,786.79
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	35	184.20	574.36
Employee benefits expense	36	13,153.35	12,095.52
Finance cost	37	1,177.55	998.94
Depreciation and amortization expense	38	1,373.24	1,245.12
Other expenses	39	7,373.23	5,915.68
Corporate Social Responsibility (CSR) activities	43	67.01	48.03
Total Expenses		32,657.30	27,664.44
Profit before extraordinary item and tax		3,096.38	2,664.15
Extraordinary Item			
Profit on Sale/Disposal of Tea Estate		-	658.78
		-	658.78
Profit before tax		3,096.38	3,322.93
Income Tax Expense			
(i) Current Tax			
Central Income Tax	40	300.00	300.00
Agricultural Income Tax	40	-	-
(ii) Deferred Tax - Charge	40	59.34	46.66
Total Tax Expense		359.34	346.66
Net Profit for the year		2,737.04	2,976.27

**Profit and Loss Statement** for the year ended 31st March, 2023

₹ in Lakhs

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment defined benefit obligations		(144.16)	164.80
(ii) Income Tax relating to these items		11.35	(12.81)
Items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax		(132.81)	151.99
Total Comprehensive Income for the year		2,604.23	3,128.26
Earning per Equity Share [Nominal Value per share : ₹ 2 (Previous Year : ₹ 2)]			
(1) Basic	41	7.40	8.11
(2) Diluted		7.31	8.11

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Place: Kolkata
Date: 27th May, 2023



Cash Flow Statement for the year ended 31st March, 2023

₹ in Lakhs

	2022-2023	2021-2022
A. Cash Flow from Operating Activities		
Profit before Tax	3,096.38	3,322.93
- Adjustment for :		
Depreciation and Amortization expense	1,373.24	1,245.12
Finance Cost	1,177.55	998.94
Net Gain on Foreign Currency Transaction and Translation	(268.76)	(246.18)
(Profit)/ Loss on Disposal of Property, Plant and Equipment (Net)	(3.85)	(26.31)
Liabilities no more required written back (net)	(0.14)	(8.19)
	2,278.04	1,963.38
	5,374.42	5,286.31
Items Considered in Investing Activity :		
Interest on Deposits etc.	(19.31)	(13.86)
Net Gain on restatement of Investments designated at FVTPL	(25.61)	-
Profit on sale of Investments designated at FVTPL	-	(15.40)
	(44.92)	(29.26)
	5,329.50	5,257.05
Operating Profit before Working Capital Changes		
- Adjustment for :		
Trade Receivables, Loans, Advances and Other Assets	(955.12)	(891.25)
Inventories	(2,994.99)	(1,080.19)
Trade Payable, Other Liabilities and Provisions	1,459.44	1,184.95
	(2,490.67)	(786.49)
Cash Generated from Operations	2,838.83	4,470.56
Direct Taxes (Net of refund)	(301.46)	(427.56)
	(301.46)	(427.56)
Cash Flow before Extraordinary Item	2,537.37	4,043.00
Extraordinary Item	-	(658.78)
Net Cash Flow from Operating Activities	2,537.37	3,384.22

**Cash Flow Statement** for the year ended 31st March, 2023

₹ in Lakhs

	2022-2023	2021-2022
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment, Other Intangible Assets including Advances for Capital Assets	(2,579.84)	(1,531.03)
Sale/ Disposal of Tea Estate	-	1,469.25
Sale of Property, Plant and Equipment	26.07	32.89
Investment in Subsidiary	(1.00)	(75.06)
Purchase of Non-current Investments	-	(5.02)
Proceeds from sale of Non-current Investments	-	70.01
Purchase of Current Investments	(1,499.93)	-
Interest Received	19.31	13.86
Net Cash Flow from Investing Activities	(4,035.39)	(25.10)
C. Cash Flow from Financing Activities		
Proceeds of Compulsorily Convertible Preference Shares (CCPS)	1,560.00	-
Intercorporate Deposits Received/(Refunded) (Net)	-	(1,608.00)
Proceeds of Working Capital Loan from Bank (Net)	1,815.65	208.93
Repayment of Term Loan From Banks	(999.64)	(999.64)
Payment of Interest/ Other Borrowing Cost	(980.13)	(1,043.15)
Gain/ (Loss) on Foreign Currency Translations	82.14	246.18
Dividend Paid	(110.09)	(110.09)
Net Cash Flow from Financing Activities	1,367.93	(3,305.77)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(130.09)	53.35
Cash and Cash Equivalents at the beginning of the Financial Year (Note 17)	177.12	123.77
Cash and Cash Equivalents at the end of the Financial Year (Note 17)	47.03	177.12

Notes:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 - "Statement of Cash Flow".

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Place: Kolkata
Date: 27th May, 2023



Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital

₹ in Lakhs

Balance at the beginning on 1st April, 2021	733.93
Changes during the year 2021-2022	-
Balance at the end on 31st March, 2022	733.93
Changes during the year 2022-2023	20.00
Balance at the end on 31st March, 2023	753.93

B. Changes in Equity

	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Remeasurement of Employees' Obligations	Impairment of Investment	
As at 1st April, 2021	248.01	2,609.55	17,565.72	1,210.98	(604.88)	(168.52)	20,860.86
Profit for the year	-	-	-	2,976.27	-	-	2,976.27
Dividend Paid	-	-	-	(110.09)	-	-	(110.09)
Remeasurements of post-employment defined benefit obligations (Net of tax)	-	-	-	-	151.99	-	151.99
Transfer to General Reserve	-	-	2,500.00	(2,500.00)	-	-	-
As at 31st March, 2022	248.01	2,609.55	20,065.72	1,577.16	(452.89)	(168.52)	23,879.03
Profit for the year	-	-	-	2,737.04	-	-	2,737.04
Securities Premium on Issuance of CCPS (Note 2 below)	-	1,460.00	-	-	-	-	1,460.00
Securities Premium on Conversion of CCPS in to Equity Shares (Note 3 below)	-	80.00	-	-	-	-	80.00
Dividend Paid	-	-	-	(110.09)	-	-	(110.09)
Remeasurements of post-employment defined benefit obligations (Net of tax)	-	-	-	-	(132.81)	-	(132.81)
Transfer to General Reserve	-	-	2,500.00	(2,500.00)	-	-	-
As at 31st March, 2023	248.01	4,149.55	22,565.72	1,704.11	(585.70)	(168.52)	27,913.17

NOTES:

- The Directors recommended that a dividend of Re. 0.40 per share (31st March, 2022 - Re. 0.30 per share) for the year be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been recognised in these financial statements. The total equity dividend proposed to be paid is ₹ 150.79 Lakhs (for the year ended 31st March, 2022 - ₹ 110.09 Lakhs).
- The Board of Directors by adopting a Resolution by Circulation on 27th June, 2022 allotted 10,00,000, 0.01% Compulsorily Convertible Preference Shares (CCPS) (Instruments entirely Equity in nature) of ₹ 10 each at an issue price of ₹ 156 per CCPS including Securities Premium of ₹ 146 per CCPS aggregating to ₹ 1,560 Lakhs on preferential basis (for cash consideration) after obtaining the required regulatory approvals. Accordingly, ₹ 1,460 lakhs have been credited here.
- Further, the Board of Directors at its Meeting held on 16th December, 2022 approved the conversion of aforesaid CCPS of Rs.10 each into 10,00,000 Equity Shares of ₹ 2 each pursuant to the option exercised by the Allottee as per the Terms of the Preferential Issue. The difference in face value of ₹ 8 per Share aggregating to ₹ 80 Lakhs was treated as further Securities Premium received on such issue and allotment of Equity Shares.



Statement of Changes in Equity for the year ended 31st March, 2023

Nature and purpose of each Reserve

a) Capital Reserve

This represents the amounts received as compensation for Tea Estates Land acquired by competent authorities on various occasions as well as certain adjustments relating to various Schemes of Arrangements, which the Company had entered in to in the earlier years.

b) Securities Premium Reserve

Securities Premium Reserve was created as per the Scheme of Arrangement with the value of net assets taken over by the Company and again used to credit the premium on issue of Equity Shares by the Company from time to time, including the present issues (Notes 2 and 3 above). The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

c) General Reserve

General Reserve is created for ploughing back the profits earned by the Company and retained before payment of dividend. This is free reserve and available for utilisation in accordance with the provisions of the Companies Act, 2013.

d) Retained Earnings

Retained earnings represent accumulated profits earned by the Company and remaining undistributed as on date.

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Place: Kolkata
Date: 27th May, 2023



Notes to the Financial Statements

Significant Accounting Policies and Other Notes to the Financial Statement for the Year ended 31st March, 2023

1. Company Overview

Rossell India Limited (the Company) is a Public Limited Company incorporated and domiciled in India. The Company was incorporated on 10th June, 1994 under the Companies Act, 1956 with its registered office at Kolkata, West Bengal. The Equity Shares of the Company are listed on National and Bombay Stock Exchanges. The Company is engaged in the following business activities:

- a. Cultivation, Manufacture and Sell of Bulk Tea - The Company owned six Tea Estates all located in Assam.
- b. Engineering and Manufacturing in Aerospace and Defense Services.

2. Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the Act) and the other relevant provisions of the Act and Rules made thereunder as well as the other accounting principles generally accepted in India.

2.1 Basis of Measurement

The financial statement has been prepared on a historical cost basis except the following items:

- a) Certain financial assets and liabilities (including derivative instruments) which are measured at fair value.
- b) Biological Assets other than Bearer Plants, which are measured at fair value less cost to sell.
- c) Defined benefit plans – plan assets measured at fair value.

2.2 Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires management to use certain critical accounting estimates, judgments and assumptions. It also requires management to exercise judgment in the process of applying accounting policies. Actual results could differ from those estimates. These estimates, judgments and assumptions affect application of the accounting policies and the reported amounts of assets, liabilities, revenue, expenditure, contingent liabilities etc.

The estimates and underlying assumptions are reviewed on an ongoing basis and changes are made as management becomes aware of changes in the circumstances surrounding the estimates. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the financial statements in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of financial statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

3 Significant Accounting Policies

3.1 Property, Plant and Equipment

3.1.1 Tangible Assets (Other than Bearer Plants)

Property, Plant and Equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located. Deemed Cost is the carrying value of all of its Property, Plant and Equipment (other than Bearer Plants) as of 1st April, 2016 measured as per the previous GAAP as the Company elected to continue with the same carrying value as on the aforesaid transition date for Ind AS.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.



Notes to the Financial Statements

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of Property, Plant and Equipment is recognized in Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost of the assets less its residual value, over their useful lives on a straight line basis. Estimated useful lives of the assets are as specified in Schedule II of the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for on a prospective basis.

3.1.2 Bearer Plants

Bearer Plants comprising of mature tea bushes as well as matured black pepper vines and shade trees are stated at cost / deemed cost less accumulated depreciation and impairment losses, if any.

The cost of uprooting of old tea bushes, rehabilitation of land, replanting and young tea upkeep and maintenance up to the year 3 from the year of planting are capitalized as mature plants, capital work-in-progress. From year 4 onwards capital work-in-progress is treated as Bearer Plants and depreciated using Straight Line Method over the expected useful life of 70 years, when the Bearer Plants (mature tea bushes) reaches maturity stage with residual value as 'Nil'.

Depreciation on Bearer Plants is recognized so as to write off its cost over useful lives, using the Straight Line Method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

3.1.3 Intangible Assets

Intangible Assets of the Company comprise acquired Computer Software having a finite life. Cost of software is capitalized when it is expected to provide future enduring economic benefits. The capitalization cost includes license fee, cost of implementation and system integration services. The costs are capitalized in the year in which the relevant Software is implemented for use and is amortized across a period not exceeding 10 years.

3.1.4 Research and Development

Research and Development costs are expensed as incurred, unless technical and commercial feasibility of the project demonstrate that: (a) the future economic benefits are available, (b) the activity is being carried out with an intention and ability to complete as well as use the asset and (c) the costs can be measured reliably. In such case, the cost is capitalized as Intangible Asset - Knowhow. The costs which can be capitalized include the cost of material, direct labour, overhead costs including finance cost, if applicable that are directly attributable to bringing the asset for its intended use.

3.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

3.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of insurance claim for damage / shortage of finished goods and are net of sales return, GST and trade allowances.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer or services are rendered as per terms of the relevant contract.

3.4 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through



Notes to the Financial Statements

profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date i.e. the date when the Company commits to purchase or sell the asset.

3.4.1 Financial Assets

Recognition and Classification

The financial assets are classified at initial recognition in the following measurement categories as:

- those subsequently measured at amortized cost.
- those to be subsequently measured at fair value [either through other comprehensive income (OCI), or through profit or loss]

Subsequent Measurement

- Financial assets measured at amortized cost – Financial assets which are held within the business model of collection of contractual cash flows and where those cash flows represent payments solely towards principal and interest on the principal amount outstanding are measured at amortized cost. A gain or loss on a financial asset that is measured at amortized cost and is not a part of hedging relationship is recognized in profit or loss when the asset is derecognized or impaired.
- Financial assets measured at fair value through other comprehensive income – Financial assets that are held within a business model of collection of contractual cash flows and for selling and where the assets' cash flow represents solely payment of principal and interest on the principal amount outstanding are measured at fair value through OCI. Movements in carrying amount are taken through OCI, except for recognition of impairment gains or losses. When a financial asset, other than investment in equity instrument, is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss.

Classification of equity instruments, not being investments in subsidiaries, associates and joint arrangements, depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. When investment in such equity instrument is derecognized, the cumulative gains or losses recognized in OCI is transferred within equity on such derecognition.

- Financial assets measured at fair value through profit or loss – Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. Movements in fair value of these instruments are taken in profit or loss.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Impairment losses are recognized in the profit or loss, where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. For all financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company recognizes loss allowances on trade receivables when there is an objective evidence that the Company will not be able to collect all the due amount depending on product categories and the payment mechanism prevailing in the industry.

Income recognition on financial assets

Interest income from financial assets is recognized in profit or loss using effective interest rate method, where applicable.

Dividend income is recognized in profit or loss only when the Company's right to receive payments is established and the amount of dividend can be measured reliably.

3.4.2 Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost unless they fulfill the requirement of measurement at fair value through profit or loss. Where the financial liability has been measured at amortized cost, the difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest rate method. Financial liabilities at fair value through profit or loss are carried at fair value with changes in fair value recognized in the finance income or finance cost in the statement of profit or loss.

3.4.3 Derecognition of financial assets and financial liabilities

Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished that is when the contractual obligation is discharged, cancelled or expired.



Notes to the Financial Statements

3.4.4 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.5 Derivatives and hedging activities

The Company do have derivative financial instruments such as forward contracts, and to mitigate risk of changes in exchange and interest rates, although nil outstanding at on 31st March, 2023. The counterparty for these contracts is generally banks.

3.5.1 Derivatives

Derivatives are measured at fair value. All fair value gains and losses are recognized in profit and loss except where the derivatives qualify as hedging instruments in cash flow hedges or net investment hedges.

3.5.2 Cash flow hedges that qualify for hedge accounting:

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the Other Comprehensive Income.

3.6 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of Property, Plant and Equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a Straight Line basis over the useful life of the related assets and presented within other income.

3.7 Income Tax

The Income Tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses as well as available MAT Credit.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income / loss for the year or any adjustment or receivable in respect of previous year.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.



Notes to the Financial Statements

3.8 Inventories

Stock of finished goods and stock-in-trade are valued at lower of cost and net realizable value. Finished goods, produced from agricultural produce viz. Black Tea and Tea Waste, are valued at lower of cost arrived at by adding the cost of conversion to the fair value of agricultural produce viz. Green Leaves and the net realizable value. Agricultural produces, viz. Green Leaves harvested from the Company's own Tea Estates, are valued at fair value less cost to sale at the point of harvest. Black Pepper, being an Agricultural Produce is also valued at the net realizable value.

Raw Materials purchased (including Bought Green Leaves) and Stores and Spare Parts are valued at or under cost. Work-in-progress is valued at works cost based on technical evaluation of the stage of completion.

Provision is made for obsolete, slow moving and defective inventories, wherever necessary and reviewed from time to time.

Costs are ascertained to the individual item of inventory by adopting weighted average method. Net realizable value is the estimated selling price for inventories less all selling costs.

3.9 Biological Assets

Biological Assets of the Company comprises of unharvested Green Tea Leaves. These are recognized as such when and only when, (a) the Company controls the assets as a result of past events, (b) it is probable that future economic benefits associated with such assets will flow to the Company and (c) the fair value or cost of assets can be measured reliably. These assets are measured at its fair value less cost to sell. The gain or loss arising from change in such value is included in Statement of Profit and Loss.

3.10 Agricultural Produce

Agricultural Produce of the Company comprises of harvested Green Tea Leaves as well as Black Pepper, from its own Tea Estates. These are valued at fair value less cost to sell on the reporting date. The gain or loss arising from change in such value is included in the Statement of Profit and Loss under the head Consumption of Raw Materials (Green leaves) or Change in inventories of Finished Goods, as applicable.

3.11 Employee Benefits

3.11.1 These are recognized at the undiscounted amount as expense for the year in which the related service is rendered.

3.11.2 The Company is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Company also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the eligible employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Company's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.

3.11.3 Defined Benefit Gratuity Plan is also maintained by the Company. The Company contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Company's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Company also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized, in the year in which they occur, directly in Other Comprehensive Income and eventually included in retained earnings in the Statement of changes in Other Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

3.11.4 Leave encashment liability for eligible employees is provided for at the end of the year, as actually computed and paid/provided for and the charge is recognized in the Profit and Loss Statement.

3.12 Leases

Leases are recognized as per Ind AS 116 when there is a contract that conveys the right to control the use of an identified asset. Such leases are amortized over the lease term.

3.13 Borrowing costs

Borrowing costs consist of interest and related costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.



Notes to the Financial Statements

Borrowing costs that are attributable to the acquisition or construction of qualifying assets or for self-created assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

3.14 Provisions and Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

3.15 Operating Segments

In terms of Ind AS 108, Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) viz. the Chief Executive officer (Executive Chairman) of the Company. The Chief Operating Decision Maker is responsible for allocating resources and assessing performance of the operating segments, which are engaged in separate business activities from which it earns revenue and incur expenses. For each of the segments discreet Financial Results are available.



Notes to the Financial Statements

₹ in Lakhs

4. PROPERTY, PLANT AND EQUIPMENT										
Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2022	Additions during the Year	Disposal during the Year	As at 31st March, 2023	As at 1st April, 2022	Depreciation for the year	Disposal during the Year	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Land - Tea Estates	6,330.99	8.63	-	6,339.62	-	-	-	-	6,339.62	6,330.99
Land - Leasehold	1,165.55	-	-	1,165.55	69.49	11.79	-	81.28	1,084.27	1,096.06
Bearer Plants - Tea Bushes	2,423.09	278.16	0.79	2,700.46	228.54	58.02	0.44	286.12	2,414.34	2,194.55
Bearer Plants - Black Pepper Vines	20.68	-	-	20.68	6.21	1.89	-	8.10	12.58	14.47
Buildings	10,685.52	1,331.38	4.77	12,012.13	1,576.97	318.73	1.24	1,894.46	10,117.67	9,108.55
Plant and Equipment	6,375.46	527.86	105.40	6,797.92	3,599.03	479.88	92.13	3,986.78	2,811.14	2,776.43
Furniture and Fixtures	1,581.68	14.38	1.24	1,594.82	737.07	120.23	1.18	856.12	738.70	844.61
Vehicles	1,194.27	27.29	52.05	1,169.51	791.33	78.39	49.37	820.35	349.16	402.94
Office Equipment	411.38	13.33	16.53	408.18	283.00	32.02	15.54	299.48	108.70	128.38
Computers	725.69	55.15	22.31	758.53	523.86	83.39	21.19	586.06	172.47	201.83
31st March, 2023	30,914.31	2,256.18	203.09	32,967.40	7,815.50	1,184.34	181.09	8,818.75	24,148.65	23,098.81
31st March, 2022	31,094.73	1,513.56	1,693.98	30,914.31	7,135.20	1,108.11	427.81	7,815.50		

5. CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE					
Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	246.07	127.86	14.34	24.23	412.50
	331.96	120.78	61.59	58.00	572.33
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
31st March, 2023	246.07	127.86	14.34	24.23	412.50
31st March, 2022	331.96	120.78	61.59	58.00	572.33

6. OTHER INTANGIBLE ASSETS										
Particulars	GROSS CARRYING AMOUNT				ACCUMULATED AMORTISATION				NET CARRYING AMOUNT	
	As at 1st April, 2022	Additions during the Year	Disposal during the Year	As at 31st March, 2023	As at 1st April, 2022	Amortisation for the year	Disposals during the Year	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Know-how	-	705.99	-	705.99	-	33.08	-	33.08	672.91	-
Computer Software	844.19	52.33	4.59	891.93	530.57	155.82	4.37	682.02	209.91	313.62
31st March, 2023	844.19	758.32	4.59	1,597.92	530.57	188.90	4.37	715.10	882.82	313.62
31st March, 2022	662.22	187.20	5.23	844.19	396.56	137.01	3.00	530.57		

7. INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE					
Particulars	Amount in Intangible Assets Under Development for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	81.14	-	-	-	81.14
	333.42	-	-	-	333.42
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
31st March, 2023	81.14	-	-	-	81.14
31st March, 2022	333.42	-	-	-	333.42

**Notes to the Financial Statements**

₹ in Lakhs

	31st March, 2023	31st March, 2022
8. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES		
Unquoted		
In Equity Instruments - Subsidiary Company		
Rossell Techsys Inc. - 392 (31.03.22 -392) Shares of Common Stock (Note 50)	75.13	75.13
Rossell Techsys Limited - 50,000 (31.03.22 - Nil) Equity Shares of ₹ 2 Each (Note 50)	1.00	-
	76.13	75.13
9. NON-CURRENT INVESTMENTS		
In Equity Instruments - Others		
R V Enterprizes Pte. Ltd. - no Par Value denominated in USD		
2,49,924.40 (Extent of holding - 13%) (31.03.2022 - USD 2,49,924.40) at FVTOCI	-	-
In Preference Instruments - Others		
R V Enterprizes Pte. Ltd. - 34,52,359 (31.03.2022-34,52,359) Shares of US\$ 1 each measured at FVTOCI	1,847.99	1,847.99
	1,847.99	1,847.99
A. Aggregate amount of Quoted Investments	-	-
B. Aggregate amount of Unquoted Investments	1,847.99	1,847.99
C. Aggregate amount of to date Impairment in Value of Investments (considered in OCI)	168.52 *	168.52*
* Note: There is no impairment during the year		
10. LOANS		
Unsecured Considered Good		
Loan to Employees	6.13	0.84
	6.13	0.84
11. OTHER FINANCIAL ASSETS		
Security Deposits	187.86	148.03
Other Deposits	185.17	404.54
	373.03	552.57
12. OTHER NON-CURRENT ASSETS		
Capital Advances	70.38	87.66
	70.38	87.66



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
13. INVENTORIES		
Raw Materials (Green Leaf - Agricultural Produce)- At fair value	21.71	37.49
Raw Materials (Others)- At cost	12,860.76	9,768.19
Finished Goods (Black Pepper - Agriculture Produce) - At fair value less cost to sell	32.49	1.27
Finished Goods - At lower of cost and net realisable value [including in transit ₹ 169.13 Lakhs (31.03.2022 - ₹ 52.75 Lakhs)]	882.27	1,420.37
Stores and Spares- At or under cost	506.61	404.21
Work-in-Progress - At works cost	864.64	541.96
	15,168.48	12,173.49

14. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS		
Fair Value of Biological Assets Other than Bearer Plants (Unharvested Green Tea Leaves)	67.06	110.45
	67.06	110.45

15. INVESTMENTS		
Investment at Fair Value through Profit or Loss		
Investment in Mutual Funds (Unquoted)		
28,74,651.996 Units (2022- Nil) of SBI Savings Fund - Regular Plan - Growth	1,017.91	-
17,018.390 Units (2022- Nil) of SBI Magnum Low Duration Fund - Regular Plan - Growth	507.63	-
	1,525.54	-

16. TRADE RECEIVABLES		
Unsecured		
Trade Receivables Considered Good	4,778.01	3,314.39
Trade Receivables which have significant increase in credit risk	-	-
	4,778.01	3,314.39

16A. TRADE RECEIVABLES AGEING SCHEDULE							
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) Undisputed Trade receivables – considered good	3,254.95	1,198.17	306.10	0.10	7.03	11.66	4,778.01
	2,505.15	609.06	178.47	1.87	19.84	-	3,314.39
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

**Notes to the Financial Statements**

₹ in Lakhs

(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
31st March, 2023	3,254.95	1,198.17	306.10	0.10	7.03	11.66	4,778.01
31st March, 2022	2,505.15	609.06	178.47	1.87	19.84	-	3,314.39

		31st March, 2023	31st March, 2022
17.	CASH AND CASH EQUIVALENTS		
	Balance with Banks - Current Accounts	41.48	167.88
	Cash on hand	5.55	9.24
		47.03	177.12

18.	OTHER BANK BALANCES		
	Dividend Accounts *	5.57	7.15
		5.57	7.15

* Earmarked for payment of unclaimed dividend

19.	LOANS		
	Unsecured Considered Good		
	Loan to Employees	6.23	11.57
		6.23	11.57

20.	OTHER FINANCIAL ASSETS		
	Deposit with Bank under Lien with State's VAT authorities as Security Deposit	1.63	1.63
		1.63	1.63

21.	CURRENT TAX ASSETS		
	Central Income Tax	32.05	30.59
		32.05	30.59



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
22. OTHER CURRENT ASSETS		
Advances to Suppliers, Service Providers etc.	110.77	75.44
Advances Recoverable*	156.97	361.05
Prepaid Expenses	244.79	482.63
Other Receivables	15.07	26.27
Input Tax Credit/ Refund (GST) Receivable	525.42	579.16
Subsidies receivable from Governments	791.26	609.51
Export Incentives Receivables	11.63	5.79
	1,855.91	2,139.85

* Includes ₹ 17.74 lakhs due from wholly owned subsidiary, Rossell Techsys Ltd.

23. EQUITY SHARE CAPITAL		
Authorized		
3,80,00,000 (31.03.2022 - 4,50,00,000) Equity Shares of ₹ 2 each	760.00	900.00
14,00,000 (31.03.2022 - Nil) Preference Shares of ₹ 10 each	140.00	-
Issued, Subscribed and Paid Up		
3,76,96,475 (31.03.2022 - 3,66,96,475) Equity Shares of ₹ 2 each fully paid up	753.93	733.93
A) Rights, Preferences and Restrictions attached to the Ordinary Share		
The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share and is entitled to participate in Dividend, which may be proposed by the Board of Directors. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
B) Equity Shares held by Holding Company		
BMG Enterprises Ltd.	2,47,31,795	2,37,63,795
C) Shareholders holding more than 5% of the aggregate Equity Share capital in the Company		
Name of the Shareholder	No. of Equity Shares and % of Holding	No. of Equity Shares and % of Holding
BMG Enterprises Ltd., Holding Company	2,47,31,795	2,37,63,795
	65.61	64.76
Harsh Mohan Gupta	18,77,751	18,77,751
	4.98	5.12
D) Reconciliation of Number of Shares		
Equity Shares outstanding at the beginning of the year	3,66,96,475	3,66,96,475
Add: Equity Shares issued during the year	10,00,000	-
Equity Shares outstanding at the end of the year	3,76,96,475	3,66,96,475

**Notes to the Financial Statements**

₹ in Lakhs

E)	The Company has issued and allotted 10,00,000 Equity Shares of ₹ 2 each on 16th December, 2022 when the Board of Directors at its Meeting held on 16th December, 2022 approved the conversion of 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) of Rs.10 each into 10,00,000 Equity Shares of ₹ 2 each pursuant to the option exercised by the Allottee as per the Terms of the Preferential Issue. (Notes 2 and 3 on Other Equity).		
		31st March, 2023	31st March, 2022
F)	Shareholding of Promoters		
Sl. No.	Promotor Name	No. of Equity Shares and % of Total Shares	No. of Equity Shares and % of Total Shares
1	BMG Enterprises Ltd., Holding Company	2,47,31,795	2,37,63,795
		65.61%	64.76%
2	Mr. Harsh Mohan Gupta	18,77,751	18,77,751
		4.98%	5.12%
3	Mr. Rishab Mohan Gupta	7,69,203	7,69,203
		2.04%	2.10%
4	Ms. Vinita Gupta	6,93,670	6,93,670
		1.84%	1.89%
5	Harvin Estates Pvt. Ltd.	1,01,045	3,61,045
		0.27%	0.98%
6	Ms. Samara Gupta	15,000	15,000
		0.04%	0.04%
7	BMG Investments Pvt Ltd	9,769	9,769
		0.03%	0.03%
	Total	2,81,98,233	2,74,90,233
		74.80%	74.92%
	% Change during the Year		
	BMG Enterprises Ltd., Holding Company	0.85%	-
	Mr. Harsh Mohan Gupta	-0.14%	-
	Mr. Rishab Mohan Gupta	-0.06%	-
	Ms. Vinita Gupta	-0.05%	-
	Harvin Estates Pvt. Ltd.	-0.71%	-

24. NON CURRENT BORROWINGS		
SECURED		
Term Loans from Banks		
HDFC Bank Limited	2,499.10	3,498.74
Less: Current maturities of long term debts	999.64	999.64
	1,499.46	2,499.10
a) Nature of Security		
Equitable Mortgage of Leasehold Land and Buildings constructed thereon at Bangalore.		
b) Rate of Interest prevailing at year end - 9.90% p.a. (2022 - 7.65% p.a.)		
c) Terms of Repayment		
Repayment in 20 Equal Quarterly Instalments till September, 2025		
	1,499.46	2,499.10



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
25. DEFERRED TAX LIABILITIES / (ASSETS) (NET)		
Deferred Tax Liabilities		
The balance comprises temporary differences attributable to:		
i) Property, Plant and Equipment and Other Intangible Assets	771.16	641.04
ii) Financial Assets at Fair Value through Profit or Loss	7.46	-
iii) Fair Value of Inventories	0.94	6.33
iv) Deferred tax related to OCI items	-	12.81
v) Other Items - On Biological Asset at Fair Value	-	11.21
Deferred Tax Liabilities (A)	779.56	671.39
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
i) Deferred tax related to OCI items	11.35	-
ii) Minimum Alternate Tax Credit Entitlement	643.18	607.21
iii) Other Items - On Biological Asset at Fair Value	12.86	-
Deferred Tax Assets (B)	667.39	607.21
Net Deferred Tax Liabilities / (Assets) (A-B)	112.17	64.18

26. OTHER NON - CURRENT LIABILITIES		
Liabilities for Expenses	9.94	11.51
Government Grants		
Opening Balance	198.41	200.27
Received during the year	20.62	2.84
Less : Deferred Income to be appropriated within one year	6.13	4.70
Closing Balance	212.90	198.41
	222.84	209.92

27. CURRENT BORROWINGS		
Secured Loans repayable on demand from Banks*		
Cash Credit, Packing Credit and Demand Loans	13,162.25	11,846.60
Nature of Security		
Secured by first pari passu charge by way of : a) Equitable Mortgage on immovable properties, being Leasehold Land and Buildings constructed thereon at Bangalore as well as Dikom, Nokhroy, Nagrijuli, Romai and Namsang Tea Estates of the Company and b) Hypothecation of movable properties of Rossell Tea and Rossell Techsys Divisions (including Stock and Book Debts), both present and future, of the Company.		
Current Maturities of Long Term Borrowings	999.64	999.64
Unsecured		
Demand Loan from Bank	500.00	-
	14,661.89	12,846.24
*Utilised for Specific Purpose for which it was taken.		

**Notes to the Financial Statements**

₹ in Lakhs

	31st March, 2023	31st March, 2022
28. TRADE PAYABLES		
Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises (Note below)	89.04	23.20
b) Total outstanding dues other than micro enterprises and small enterprises	2,668.63	2,322.87
	2,757.67	2,346.07
Note		
To the extent the Company has received information from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, the details are provided under Sec. 22 of that Act:		
1. Principal amount remaining unpaid at the end of the year	89.04	23.20
2. The amount of Interest accrued and paid thereon in terms of Sec. 16	-	-
3. The amount of Interest due and payable for the period of delay in making payment	-	-
4. Interest remaining accrued and unpaid at the end of the year	-	-

28A. TRADE PAYABLE AGEING SCHEDULE

Particulars	Outstanding for following periods from due date of payment*				
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	89.04	-	-	-	89.04
	23.20	-	-	-	23.20
(ii) Others	2,659.01	8.20	0.98	0.44	2,668.63
	2,314.94	7.56	0.37	-	2,322.87
(iii) Disputed dues – MSME	-	-	-	-	-
	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
31st March, 2023	2,748.05	8.20	0.98	0.44	2,757.67
31st March, 2022	2,338.14	7.56	0.37	-	2,346.07

*Ageing has been considered from the date of transaction

29. OTHER FINANCIAL LIABILITIES		
Interest accrued but not due on borrowings	60.25	44.18
Unpaid Dividends (Note below)	5.57	7.15
Capital Liabilities	146.68	121.94
	212.50	173.27
Note: Amount due for Transfer to Investor Education and Protection Fund within 1 year - ₹ 2.03 lakhs (2022 - ₹ 2.37 lakhs)		



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
30. OTHER CURRENT LIABILITIES		
Advances from Customers	1,154.32	85.34
Liabilities for Expenses	1,719.71	1,563.32
Statutory dues	203.36	187.01
Deferred Income related to Government Grants		
Opening Balance	4.70	5.59
Add: Grant Received during the year	0.89	24.78
Add: Deferred Inome to be appropriated as Income within One Year	6.13	4.70
Less :Released to Profit and Loss Statement during the year	5.59	30.37
Closing Balance	6.13	4.70
Due to Rossell India Empeoyees' Gratuity Fund	123.54	210.91
	3,207.06	2,051.28
31. CURRENT TAX LIABILITIES (NET)		
Provision for Agricultural Income Tax	45.59	45.59
	45.59	45.59

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

Place: Kolkata
Date: 27th May, 2023

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

**Notes to the Financial Statements**

₹ in Lakhs

	2022-2023	2021-2022
32. REVENUE FROM OPERATIONS		
(a) Sale of Products		
Black Tea	16,219.92	14,109.52
Black Pepper	13.52	23.04
Avionics, Aviation and Electronic Equipment	18,627.52	14,705.94
	34,860.96	28,838.50
(b) Sale of Services		
Receipts for Technical and Support Services	5.42	432.77
(c) Other Operating Revenues		
Subsidy -		
- Replanting, Irrigation and Machinery Subsidy	5.59	30.37
- Transport Subsidy	9.87	-
- Orthodox Subsidy	365.81	157.18
Sundry Receipts	86.46	120.65
Changes in Fair Value of Biological Assets	-	37.81
Incentive under MEIS entitlement and other Benefits relating to exports / premium on sale thereof	24.21	285.52
	491.94	631.53
	35,358.32	29,902.80
33. OTHER INCOME		
Interest Income from Financial Assets at amortised cost		
On Deposits-at amortised cost	19.07	13.86
On Loans- at effective interest basis	1.81	2.29
Interest Income from Tax Refunds	0.24	-
Interest Subvention under Assam Tea Industries Special Incentive Scheme, 2020	75.88	113.56
Profit on Sale of Investment designated at FVTPL	-	15.40
Net Gain on restatement of Investments designated at FVTPL	25.61	-
Liabilities no Longer Required Written Back (Net)	0.14	8.19
Net Gain on Foreign Currency Transactions and Translation	268.76	246.18
Profit (net) on Disposal of Property, Plant and Equipment	3.85	26.31
	395.36	425.79
34. COST OF MATERIALS CONSUMED		
Purchased Green Leaf Consumed*	619.66	382.02
Consumption of Raw Materials	8,709.06	6,404.77
	9,328.72	6,786.79
* Includes change in Fair Value of Stock of Own Green Leaf on reporting dates		



Notes to the Financial Statements

₹ in Lakhs

	2022-2023	2021-2022
35. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Stock of Work in Progress at the beginning of the year	541.96	817.42
Less: Stock of Work in Progress at the end of the year	864.64	541.96
(Increase) / Decrease	(322.68)	275.46
Stock of Finished Goods at the beginning of the year	1,421.64	1,720.54
Less: Stock of Finished Goods at the end of the year	914.76	1,421.64
(Increase) / Decrease	506.88	298.90
	184.20	574.36
36. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	10,766.61	10,174.36
Contribution to Provident and other Funds	1,336.09	925.38
Workmen and Staff Welfare	1,050.65	995.78
	13,153.35	12,095.52
37. FINANCE COST		
Interest Cost on Financial Liabilities carried at amortised cost		
On Term Loans	275.57	339.91
On Working Capital Loans	669.49	596.75
On Intercorpoarte Deposits (Related Party)	-	26.72
On Others	9.52	0.95
Other Borrowings Cost	36.35	34.61
Net Loss on Foreign Currency Transactions (Net)	186.62	-
	1,177.55	998.94
Disclosure pursuant to Pararaph 26 of Ind AS 23 Borrowings Cost		
a) The amount of interest capitalised during the year on self constructed assets (Bearer Plants - Capital work in Progress).	5.27	5.07
b) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	7.13%	6.64%
c) The amount of interest capitalised during the year on self constructed assets (Plant and Machinery - Capital work in Progress).	-	1.90
d) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14.	-	4.70%
e) The amount of interest capitalised during the year on self constructed assets (Intangible Assets under Development)	-	14.87
f) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	-	4.70%

**Notes to the Financial Statements**

₹ in Lakhs

	2022-2023	2021-2022
38. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Property, Plant and Equipment	1,184.34	1,108.11
Amortization of Other Intangible Assets	188.90	137.01
	1,373.24	1,245.12
39. OTHER EXPENSES		
Consumption of Stores and Spare Parts	942.49	900.92
Power and Fuel	1,554.74	1,029.86
Rent	56.86	52.80
Rates and Taxes	51.74	39.85
Repairs to Building	187.83	279.80
Repairs to Machinery	236.11	216.34
Other Repairs	405.58	361.52
Vehicles Maintenance	266.96	241.44
Transportation Expenses	273.52	243.99
Freight and Shipment Charges	112.98	75.90
Warehousing Expenses	138.51	143.74
Other Selling Expenses	1,297.11	763.38
Brokerage	140.21	116.84
Commission on Sales	-	1.38
Legal and Professional Fees	356.76	356.17
Insurance	149.14	153.98
Directors' Fee and Commission	36.05	43.35
Auditors' Remuneration (Note below)	6.88	5.71
Traveling and Conveyance	413.75	292.26
Research & Development Expenses	213.31	95.30
Miscellaneous Expenses	489.31	501.15
Changes in Fair Value of Biological Assets	43.39	-
	7,373.23	5,915.68
Note: Break up of Auditors' Remuneration		
As Auditor	5.00	4.50
For Other Services		
Certification Job	1.53	0.93
Reimbursement of Expenses	0.35	0.28
	6.88	5.71



Notes to the Financial Statements

₹ in Lakhs

	2022-2023	2021-2022
40. INCOME TAX EXPENSES		
A. Amount recognised in Profit and Loss Statement		
Current Tax		
Assam Agricultural Income Tax for the year	-	-
Income Tax for the year	300.00	300.00
Total Current Tax	300.00	300.00
Deferred Tax		
Deferred Tax	59.34	46.66
B. Amount recognised in Other Comprehensive Income		
Deferred Tax Charge (Credit)		
Items that will not be reclassified to profit or loss		
On Remeasurements of post-employment defined benefit obligations	11.35	(12.81)
Net Deferred Tax	11.35	(12.81)
C. Reconciliation of Effective Tax		
The Income Tax Expense for the year reconciled with Accounting Profit as under		
Profit before tax	3,096.38	3,322.93
Effect of -		
Tax Nil (2022- Nil) on Agricultural Book Profit - Agricultural Income Tax	-	-
Tax @ 17.472% (2022- 17.472%) of Book Profit - Income Tax	300.00	300.00
MAT Credit receivable	(643.18)	(607.21)
Differential Depreciation allowable under Income Tax	771.16	641.04
Deferred Tax attributable to other items	(68.64)	12.83
Income Tax Expense recognised in Profit and Loss Statement	359.34	346.66
41. EARNINGS PER SHARE		
Profit for the Year	2,737.04	2,976.27
Weighted average number of Equity Shares outstanding for the purpose of:		
- Basic Earnings per Equity Share	369.87	366.96
- Diluted Earnings per Equity Share	374.58	366.96
Basic Earnings per Equity Share of ₹ 2 each	7.40	8.11
Diluted Earnings per Equity Share of ₹ 2 each	7.31	8.11
42. CONTINGENT LIABILITIES AND COMMITMENTS'		
(i) Estimated amount of Contingent Liabilities not provided for		
a. Claims against the Company not acknowledged as Debts	51.62	51.62
b. Income Tax Demands disputed before Appellate Authorities	1,067.20	-
c. Bank Guarantees outstanding	1.66	65.61
(ii) Commitments		
Estimated amount of contracts to be executed on Capital Account and not provided for (net of Advances)	160.71	205.99

**Notes to the Financial Statements**

₹ in Lakhs

	2022-2023	2021-2022
43. EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES		
The Company is covered under Section 135 of the Companies Act, 2013. Accordingly, the CSR committee has been formed by the Company in accordance with Sub-Section 1 and the Company is mandatorily required to spend at least 2% of its average Net Profit as computed under Section 198 for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The required disclosure for CSR activities undertaken during the year is given hereunder:		
(i) Amount required to be spent by the company during the year	67.00	48.00
(ii) Amount of expenditure incurred	67.01	48.03
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, healthcare, destitute care and rehabilitation, disaster relief, COVID-19 relief and rural development projects.	
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard(*)	21.68	13.54
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA
(*) Represents contribution to BMG Foundation, a Trust controlled by the Holding Company to promote health care including preventive health care.		

44. SEGMENT INFORMATION	
In terms of Ind AS 108, the Company has the following reportable Operating Segments as Primary Segments:	
Business Activity	Operating Segment
A. Cultivation, Manufacture and Sale of Tea	Cultivation, Manufacture and Sell of Bulk Tea
B. Aviation Products and Services	Engineering and Manufacturing in Aerospace and Defense

	31st March, 2023	31st March, 2022
Segments' Revenue		
A. Cultivation, Manufacture and Sale of Tea	16,721.75	14,442.24
B. Aviation Products and Services	18,636.57	15,460.56
Total Revenue from Operations	35,358.32	29,902.80
Revenue from External Customers'		
Country of Domicile		
India	15,229.62	12,891.11



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
44. SEGMENT INFORMATION (contd.)		
Foreign Countries		
USA	17,668.89	14,137.71
UK	1,311.61	1,343.21
France	-	49.20
Germany	278.56	40.50
Other Countries	869.64	1,441.07
Total	20,128.70	17,011.69
	35,358.32	29,902.80
Information about Major Customers		
The Boeing Company, USA	15,184.42	13,561.50
% of Total Revenue	42.94	45.35
Taylor's of Harrogate	1,218.00	1,337.55
% of Total Revenue	3.44	4.47
Segments' Results		
A. Cultivation, Manufacture and Sale of Tea	2,568.99	2,221.73
B. Aviation Products and Services	2,266.67	1,898.15
	4,835.66	4,119.88
Less: Interest	1,177.55	998.94
Unallocated Expenses net of unallocated Income	561.73	456.79
Profit before Tax	3,096.38	2,664.15
Segments' Assets		
A. Cultivation, Manufacture and Sale of Tea	15,760.78	15,615.62
B. Aviation Products and Services	30,734.16	26,618.32
	46,494.94	42,233.94
Add: Unallocated	4,891.34	2,614.67
Total Assets	51,386.28	44,848.61
Segment Assets include the following Capital Expenditure for the year		
A. Cultivation, Manufacture and Sale of Tea	687.70	914.66
B. Aviation Products and Services	1,129.67	598.51
	1,817.37	1,513.17
Add: Unallocated	1,197.13	187.59
Total Additions to Property, Plant and Equipment during the year	3,014.50	1,700.76

**Notes to the Financial Statements**

₹ in Lakhs

	31st March, 2023	31st March, 2022
44. SEGMENT INFORMATION (contd.)		
Segments' Liabilities		
A. Cultivation, Manufacture and Sale of Tea	3,662.16	5,083.76
B. Aviation Products and Services	18,762.80	14,762.20
	22,424.96	19,845.96
Add: Unallocated	294.22	389.69
	22,719.18	20,235.65

45. EMPLOYEE BENEFIT OBLIGATION		
Defined Contribution Plans		
The Company operates defined contribution scheme for payment of pension for certain eligible employees. Under the scheme, contributions are made by the Company, based on current salaries, to the recognized Superannuation Fund maintained by the Company. The Company is also contributing to the Governments administered Provident Funds in respect of all the qualifying employees.		
An amount of ₹ 1,006.75 lakhs (2022 – ₹ 947.84 Lakhs) has been charged to the Statement of Profit and Loss on account of defined contribution schemes.		
Defined Benefit Plans		
The Company also operates defined benefit scheme in respect of gratuity benefit towards its employees. This schemes offer specified benefits to the employees on retirement, death, disability or cessation of employment. The liability arising for the Defined Benefit Scheme is determined in accordance with the advice of independent, professionally qualified actuary, using the Projected Unit Credit (PUC) actuarial method as at year end. The Company makes regular contribution for this Employee Benefit Plan to a recognized Gratuity Fund. This Fund is administered through approved Trust, which operate in accordance with the Trust Deed and Rules.		
Gratuity - Funded		
	31st March, 2023	31st March, 2022
DISCLOSURE OF DEFINED BENEFIT COST		
A. Profit and Loss		
1. Current Service Cost	192.45	197.76
2. Past Service Cost - Plan amendments	-	-
3. Curtailment Cost/(Credit)	-	-
4. Settlement Cost/(Credit)	-	-
5. Service Cost	192.45	197.76
6. Net interest on net defined benefit liability / (asset)	(14.99)	-
7. Other long term employee benefit plans / other adjustments	121.91	-
8. Acquisition Credit	-	(247.07)
9. Cost recognised in the Statement of Profit and Loss Account	299.37	(49.31)



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
DISCLOSURE OF DEFINED BENEFIT COST (contd.)		
B. Other Comprehensive Income (OCI)		
1. Actuarial (gain)/loss due to DBO experience	292.99	(107.68)
2. Actuarial (gain)/loss due to DBO assumption changes	(59.27)	(51.73)
3. Actuarial (gain)/loss arising during the period	233.72	(159.41)
4. Return on plan assets (greater)/less than discount rate	(89.56)	(5.39)
5. Actuarial (gains)/losses recognized in OCI	144.16	(164.80)
C. Defined Benefit Cost		
1. Total Service Cost	192.45	197.76
2. Net interest on net defined benefit liability / (asset)	(14.99)	-
3. Actuarial (gains)/losses recognized in OCI	144.16	(164.80)
4. Other long term employee benefit plans	121.91	-
5. Defined Benefit Cost	443.53	32.96
MOVEMENT OF DEFINED BENEFIT OBLIGATION AND PLAN ASSETS		
A. Change in Defined Benefit Obligations (DBO)		
1. DBO at the end of prior period	2,717.97	2,980.98
2. Current Service Cost	192.45	197.76
3. Interest Cost on the DBO	177.95	194.26
4. Curtailment Cost/(Credit)	-	-
5. Settlement Cost/(Credit)	-	-
6. Past Service Cost - Plan amendments	-	-
7. Acquisitions (Credit)/ cost	-	(247.07)
8. Actuarial (gain)/loss - experience	292.99	(107.68)
9. Actuarial (gain)/loss - demographic assumptions	(59.27)	(51.73)
10. Actuarial (gain)/loss - financial assumptions	-	-
11. Benefits Paid directly by the Company	-	-
12. Benefits paid from plan assets	(351.79)	(248.55)
13. DBO at the end of current period	2,970.30	2,717.97
B Change in Fair Value of Assets		
1. Fair value of assets at the end of the prior period	2,932.08	2,980.98
2. Acquisition adjustment	-	-
3. Interest income on plan assets	192.94	194.26
4. Employer contributions	229.42	-
5. Return on plan assets greater / (lesser) than discount rate	89.56	5.39
6. Benefits paid	(351.79)	(248.55)
7. Other Adjustments	(121.91)	-
8. Fair Value of assets at the end of current period	2,970.30	2,932.08



Notes to the Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
Actuarial Assumptions as at 31st March, 2023		
1. Discount Rate	7.20%	7.00%
2. Rate of Salary Increase	5.00%	5.00%
The Discount Rate as at 31st March, 2023 is based on the yield on Government Bonds as on March, 2023		
Sensitivity Analysis		
A. Discount Rate(%)	7.20	7.00
1. Effect on DBO due to 1% increase in Discount Rate	(269.14)	(249.28)
Percentage Impact	(9.06)	(9.17)
2. Effect on DBO due to 1% decrease in Discount Rate	317.13	294.48
Percentage Impact	10.68	10.83
B. Salary escalation rate (%)	5.00	5.00
1. Effect on DBO due to 1% increase in Salary Escalation Rate	316.21	293.29
Percentage Impact	10.65	10.79
2. Effect on DBO due to 1% decrease in Salary Escalation Rate	(273.27)	(252.74)
Percentage Impact	(9.20)	(9.30)
Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.		
IV Actuarial Calculations under Indian Accounting Standard (Ind AS) 19 - Additional Disclosure Information		
A. Maturity Profile of the Defined Benefit Obligation		
1. Within 1 year	145.62	121.58
2. 1-2 year	253.44	205.27
3. 2-3 year	194.88	242.37
4. 3-4 year	291.72	180.86
5. 4-5 year	251.99	278.69
6. 5-10 year	1,464.88	1,422.46
B. Expected employer contribution to the plan for next year March, 2023 (Net amount taken as Payable to the Fund as at the year end)	123.54	210.91
C. Plan Asset Information as at 31st March, 2023		
	Percentage	Percentage
Government of India Securities (Central and State)	25.32	29.59
High quality Corporate Bonds (including Public Sector Bonds)	8.30	8.48
Cash (including Special Deposits)	4.84	1.42
Schemes of Insurance	57.49	55.77
Other	4.05	4.74
Total	100.00	100.00



Notes to the Financial Statements

D. Risk Management	
	The above benefit plans expose the Company to actuarial risks such as follows:
(i)	Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
(ii)	Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation
(iii)	Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

46.	Related Party Disclosure as per Ind AS 24 for the Financial Year Ended 31st March 2023	
(i)	Holding Company	
	BMG Enterprises Ltd.	Extend of holding of Equity Share - 65.61%
(ii)	Subsidiary Company	
	Rossell Techsys Inc. w.e.f 12th February, 2021 (Incorporated on 6th August, 2020)	Extent of holding of Equity Shares - 100%
	Rossell Techsys Limited w.e.f 16th December, 2022 (Incorporated on 6th December, 2022)	Extent of holding of Equity Shares - 100%
(iii)	Enterprises over which the Key Management Personnel or their relatives have significant influence	
	BMG Investments Private Ltd.	
	Harvin Estates Private Ltd.	
	BMG Foundation	
(iv)	Key Management Personnel	
	Mr. H.M.Gupta	- Executive Chairman
	Mr. R M Gupta	- Whole Time Director
	Mr. N K Khurana	- Director (Finance) and Company Secretary
	Ms. Nayantara Palchoudhuri	- Non-Executive Director
	Mr. K Katyal	- Non-Executive Director
	Mr. R Bhatnagar	- Non-Executive Director
(v)	Relatives of Key Management Personnel with whom transactions took place during the year	
	Mrs. Vinita Gupta	- Wife of Mr. H M Gupta
	Ms. Samara Gupta	- Daughter of Mr. H M Gupta

₹ in Lakhs

	Financial Year	
	2022-2023	2021-2022
(vi) Transactions/ balance with Subsidiary		
Rossell Techsys Inc.		
Investment in Equity Shares of Subsidiary Company	-	75.06
Services provided during the year	1,093.61	539.95
Purchase of Goods	35.59	0.81
Payable to Subsidiary Company at the end of the year	68.90	80.17
Rossell Techsys Ltd.		
Investment in Equity Shares of Subsidiary Company	1.00	-
Receivable from Subsidiary Company at the end of the year	17.74	-
(vii) Transactions/ balances with Holding Company		
a) Loan from BMG Enterprises Ltd, Holding Company		
At the beginning of the year		

**Notes to the Financial Statements**

₹ in Lakhs

	Financial Year	
	2022-2023	2021-2022
Principal	-	840.00
Interest	-	-
Received during the year	-	198.00
Repayment during the year	-	1,038.00
Interest paid	-	11.68
At the end of the year		
Principal	-	-
Interest	-	-
b) Rent paid for Office Space		
- BMG Enterprises Ltd	-	12.00
(viii) Transactions / balances with Enterprises where significant influence is exercisable		
a) Loan from BMG Investment Pvt Ltd		
At the beginning of the year		
Principal	-	768.00
Interest	-	-
Received during the year	-	756.00
Repayment during the year	-	1,524.00
Interest paid	-	15.04
At the end of the year		
Principal	-	-
Interest	-	-
a) Rent paid for Office Space		
- Harvin Estate Pvt. Ltd.	6.00	6.00
b) Rent for Residential Accommodation		
- Harvin Estate Pvt. Ltd.	6.00	6.00
c) Contribution made for charitable purpose (Included in CSR Activities)		
- BMG Foundation	21.68	13.54
(ix) Transactions with Key Management Personnel:		
a) Short Term Employment Benefits		
- Mr. H. M. Gupta	164.63	151.85
- Mr. N. K. Khurana	63.09	60.66
- Mr. R M Gupta	115.98	109.69
b) Post-Employment Benefit		
- Mr. H. M. Gupta	11.52	11.99
- Mr. N. K. Khurana	16.87	17.61
- Mr. R M Gupta	10.08	13.75



Notes to the Financial Statements

₹ in Lakhs

	Financial Year	
	2022-2023	2021-2022
(x) Transactions with relatives of Key Management Personnel		
a) Short Term Employment Benefits		
- Mrs. Vinita Gupta	48.28	45.76
- Ms. Samara Gupta	41.92	39.70
b) Post-Employment Benefits		
- Mrs. Vinita Gupta	4.32	5.82
- Ms. Samara Gupta	3.69	4.97
(xi) Transactions with Post Employment Benefit Plan - Contributions		
a) Contribution to Rossell India Employees' Gratuity Fund as per Actuarial Valuation	443.53	-
b) Contribution to Rossell Tea Superannuation Fund	48.01	41.06
c) Balance payable to Rossell India Employees' Gratuity Fund at the end of the year	123.54	210.91
(xii) Transactions with Non-Executive Directors		
Sitting Fees		
Ms. Nayantara Palchoudhuri	7.25	6.45
Mr. K Katyal	7.15	6.65
Mr. A Shukla	-	4.50
Mr. R Bhatnagar	6.65	5.75
Director's Commission		
Ms. Nayantara Palchoudhuri	5.00	5.00
Mr. K Katyal	5.00	5.00
Mr. A Shukla	-	5.00
Mr. R Bhatnagar	5.00	5.00

47. Financial risk management objectives

The Company's business activities expose it to certain financial risks - market risk, liquidity risk and credit risk. In order to minimize those risks, the Company has risk management policies and procedures in place as approved by the Risk management Committee of the Board of Directors of the Company after due evaluation of key risks facing the business of the Company:

a) Market Risk

The Company's business of Cultivation, Manufacture and Sale of Tea is primarily agricultural in nature. Moreover, the sale price of Tea is largely determined by the market forces of demand and supply. Thus, adverse weather conditions and uncertain tea market expose it to the risk that the fair value or future cash flows may adversely fluctuate. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to various market risks. Other Market risks are as under:

i. Foreign Currency Risk

The Company undertakes significant transactions denominated in foreign currency with its customers in relation to Exports by Rossell Tea Division and 100% EOU of Rossell Techsys Division. This results in wide exposure to exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognized assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro and British Pound Sterling etc.



Notes to the Financial Statements

The Company, as Risk Management Policy, hedges its exposure in foreign exchange whenever considered appropriate based on the their perception about such market and reviews periodically its exposure therein to ensure that results from fluctuating currency exchange rate are appropriately managed.

The exposure to foreign currency as on 31st March, 2023 and 31st March, 2022 is given as under:

₹ in Lakhs

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	USD	EURO	GBP	CHF	USD	EURO	GBP	CHF
Financial Assets								
Investments in Equity/ Preference Instruments	34.64	-	-	-	34.64	-	-	-
Trade Receivables	55.93	0.04	-	-	40.43	1.12	-	-
Total Financial Assets (A)	90.57	0.04	-	-	75.07	1.12	-	-
Financial Liabilities								
Borrowings	-	-	-	-	38.06	-	-	-
Trade Payables	21.93	0.22	0.17	-	23.94	0.16	0.02	0.09
Other Payables	0.84	-	-	-	1.06	-	-	-
Total Financial Liabilities (B)	22.77	0.22	0.17	-	63.06	0.16	0.02	0.09
Net Exposure in Foreign Currency (A-B)	67.80	(0.18)	(0.17)	-	12.01	0.96	(0.02)	(0.09)

The impact of sensitivity analysis (10% appreciation / depreciation of the foreign currency with respect to functional currency) arising on account of above outstanding foreign currency denominated assets and liabilities would be ₹ 461.63 Lakhs (31st March, 2022 – Rs.27.86 Lakhs).

ii. Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Company's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimize counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its borrowings from banks. Such volatilities primarily arise due to changes in the Lending rates of Banks, which in turn are linked with Repo Rates as announced by RBI from time to time as well as other economic parameters of the Country. The Company manages such risk by operating with Banks having strong fundamentals with comparatively lower Lending Rates in the Market.

Interest rate sensitivity

Since the significant amount of borrowings of the Company are short term in nature, the possible volatility in the interest rate is minimal.

b) Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulty, including seasonality, in meeting its obligations due to shortage of liquid assets.

The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle, ensuring optimal movements of its inventories and avoid blockage of working capital in non-productive current assets.

The remaining contractual maturities of significant financial liabilities payable within one year (other than borrowings from the Banks) as at 31st March, 2023 and 31st March, 2022 are as under:

₹ in Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Payables	2,757.67	2,346.07
Other Financial Liabilities	212.50	173.27
Other Current Liabilities	3,207.06	2,051.28
Total	6,177.23	4,570.62



Notes to the Financial Statements

c) Credit Risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss to the Company.

The Company has its policy to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's based on which, the terms of payment are decided. Credit limits are set for each customer, which are reviewed at periodic intervals. The credit risk of the Company is low as the Company sells a significant volume of its Teas through the auction system which is on cash and carry basis. The exports are made mostly to worldwide reputed Corporates like Boeing, Lockheed Martin, Taylors of Harrogate etc., and otherwise backed by letter of credit or on advance basis.

There is no expected credit risk on Trade Receivables as on 31st March, 2023 (Note 16).

48. Financial Instruments by category

₹ in Lakhs

Particulars	As at 31st March, 2023				
	FVTPL	FVOCI	Amortized Cost	Total Carrying Value	Total Fair value
Financial Assets					
(i) Investments	1,525.54	1,847.99	-	3,373.53	3,373.53
(ii) Trade Receivables	-	-	4,778.01	4,778.01	4,778.01
(iii) Cash and Cash Equivalents	-	-	47.03	47.03	47.03
(iv) Other Bank Balances	-	-	5.57	5.57	5.57
(v) Loans	-	-	12.36	12.36	12.36
(vi) Other Financial Assets	-	-	374.66	374.66	374.66
Total financial assets	1,525.54	1,847.99	5,217.63	8,591.16	8,591.16
Financial liabilities					
(i) Borrowings	-	-	16,161.35	16,161.35	16,161.35
(ii) Trade payables	-	-	2,757.67	2,757.67	2,757.67
(iii) Other financial liabilities	-	-	212.50	212.50	212.50
Total financial liabilities	-	-	19,131.52	19,131.52	19,131.52

Particulars	As at 31st March, 2022				
	FVTPL	FVOCI	Amortized Cost	Total Carrying Value	Total Fair value
Financial Assets					
(i) Investments	-	1,847.99	-	1,847.99	1,847.99
(ii) Trade Receivables	-	-	3,314.39	3,314.39	3,314.39
(iii) Cash and Cash Equivalents	-	-	177.12	177.12	177.12
(iv) Other Bank Balances	-	-	7.15	7.15	7.15
(v) Loans	-	-	12.41	12.41	12.41
(vi) Other Financial Assets	-	-	554.20	554.20	554.20
Total financial assets	-	1,847.99	4,065.27	5,913.26	5,913.26
Financial liabilities					
(i) Borrowings	-	-	15,345.34	15,345.34	15,345.34
(ii) Trade payables	-	-	2,346.07	2,346.07	2,346.07
(iii) Other financial liabilities	-	-	173.27	173.27	173.27
Total financial liabilities	-	-	17,864.68	17,864.68	17,864.68



Notes to the Financial Statements

49. Fair Value measurements

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on the reporting date.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

₹ in Lakhs

1. Financial assets and liabilities measured at fair value on a recurring basis:	Fair Value Hierarchy (Level)	As at 31st March, 2023	As at 31st March, 2022
Financial Assets (A)			
Investment in Units of Mutual Funds measured at FVTPL	Level 2	1,525.54	-
Investment in Equity Instruments measured at FVTOCI	Level 2	1,847.99	1,847.99
Total	-	3,373.53	1,847.99
Financial Liabilities (B)	-	-	-
Net (A) – (B)	-	3,373.53	1,847.99
2. Biological Assets other than Bearer Plants measured at Fair Value			
Unharvested Green Tea leaves	Level 3	67.06	110.45
Agricultural Produce			
- Green Leaf	Level 2	21.71	37.49
- Black Pepper	Level 2	32.49	1.27
Total		121.26	149.21
Grand Total (1 + 2)		3,494.79	1,997.20



Notes to the Financial Statements

50. Subsidiary Company and Associates

The required information in Form AOC-1 – Statement containing salient features of the Financial Statement of subsidiaries/ associate companies/ joint venture.

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

1. Sl. No.	1
2. Name of the Subsidiary	Rossell Techsys Inc. USA Wholly Owned Subsidiary (incorporated outside India)
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2023
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	US Dollar 1 US Dollar = ₹ 82.2169
5. Share Capital	₹ 81.94 lakhs [USD 99,660]
6. Reserves and Surplus	₹ 50.18 lakhs [USD 61,033]
7. Total Assets	₹ 147.70 lakhs [USD 1,79,641]
8. Total Liabilities	₹ 15.58 lakhs [USD 18,948]
9. Investments	Nil
10. Turnover	₹ 1,133.60 lakhs [USD 13,78,798]
11. Profit before Taxation	₹ 25.24 lakhs [USD 30,703]
12. Provision for Taxation	Nil
13. Profit after Taxation	₹ 25.24 lakhs [USD 30,703]
14. Proposed Dividend	Nil
15. % of shareholding	100%

1. Sl. No.	2
2. Name of the Subsidiary	Rossell Techsys Limited Wholly Owned Subsidiary
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31st March, 2023
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
5. Share Capital	₹ 1.00 lakhs
6. Reserves and Surplus	₹ (17.80) lakhs
7. Total Assets	₹ 1.10 lakhs
8. Total Liabilities	₹ 17.90 lakhs
9. Investments	Nil
10. Turnover	Nil
11. Profit before Taxation	₹ 17.80 lakhs
12. Provision for Taxation	Nil
13. Profit after Taxation	₹ 17.80 lakhs
14. Proposed Dividend	Nil
15. % of shareholding	100%

- Names of subsidiaries which are yet to commence operations - **None**
- Names of subsidiaries which have been liquidated or sold during the year - **None**



Notes to the Financial Statements

50. Subsidiary Company and Associates

Part "B": Associates and Joint Ventures - Not applicable

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	-
1. Latest audited Balance Sheet Date	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-
No.	-
Amount of Investment in Associates/Joint Venture	-
Extend of Holding %	-
3. Description of how there is significant influence	-
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	-
6. Profit / Loss for the year	-
i. Considered in Consolidation	-
i. Not Considered in Consolidation	-

- Names of associates or joint ventures, which are yet to commence operations - **Not Applicable**
- Names of associates or joint ventures, which have been liquidated or sold during the year - **Not Applicable**

51. Business Restructuring

The Board of Directors of the Company at their Meeting held on 12th July, 2022 approved the Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('the Scheme'). The Appointed Date set out in the Scheme is 1st July, 2022 or such other date as the Hon'ble National Company Law Tribunal ("NCLT") or any other competent authority may approve. The Stock Exchanges have recently issued their No Objection/ Observation Letters for this Scheme and the required application to NCLT is in the process of being filed. The Scheme shall be effective post receipt of necessary approvals by shareholders and creditors of the Companies, NCLT and such other statutory and regulatory approvals as may be required.

The Board of Directors of the Company at their Meeting held on 16th December, 2022 approved the Scheme of Arrangement between Rossell India Limited ("the Demerged Company") and Rossell Techsys Limited ("the Resulting Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 involving demerger of Rossell Techsys Division from the Demerged Company into the Resulting Company and cancellation and reduction of existing share capital of Resulting Company. The Appointed Date set out in the Scheme is 1st April, 2023 or such other date as the Hon'ble National Company Law Tribunal ("NCLT") or any other competent authority may approve. The Stock Exchanges have recently issued their No Objection/ Observation Letters for this Scheme and the required application to NCLT is in the process of being filed. The Scheme shall be effective post receipt of necessary approvals by shareholders and creditors of the Companies, NCLT and such other statutory and regulatory approvals as may be required.

52. Preferential Allotment of Shares

- The Board of Directors by adopting a Resolution by Circulation on 27th June, 2022 allotted 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) (Instruments entirely Equity in nature) of ₹ 10 each at an issue price of ₹ 156 per CCPS including Securities Premium of ₹ 146 per CCPS aggregating to ₹ 1,560 Lakhs on preferential basis (for cash consideration) after obtaining the required regulatory approvals to BMG Enterprises Ltd., the Holding Company. (Allottee)
- Subsequently, the Board of Directors at its Meeting held on 16th December, 2022 approved the conversion of aforesaid CCPS of Rs.10 each into 10,00,000 Equity Shares of ₹ 2 each pursuant to the option exercised by the Allottee as per the Terms of the Preferential Issue. The difference in face value of ₹ 8 per Share aggregating to ₹ 80 Lakhs was treated as further Securities Premium received on such issue and allotment of Equity Shares
- The funds raised from the issue and allotment of the said CCPS have been fully utilised for meeting long term fund requirements and other general corporate purposes of the Company.
- Quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.



Notes to the Financial Statements

54. Title deeds of Immovable Property not held in the name of the Company

₹ in Lakhs

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	2488.09	Kharikatia Tea & Industries Limited	No	1st November, 2012	Pending sale permission from the concerned authorities of the Government of Assam.
PPE	Building	616.75		No		
PPE	Bearer Plants - Tea Bushes	399.40		No		

55. The following are the analytical ratios for the year ended 31st March, 2023 and 31st March, 2022

Sl. No.	Particulars	Numerator	Denominator	31st March 2023	31st March 2022	% Variance	Reason for Change, if the change is more than 25%
(i)	Current Ratio	Current assets	Current liabilities	1.12	1.03	9%	
(ii)	Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.56	0.62	-10%	
(iii)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	2.43	2.27	7%	
(iv)	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	10.27%	12.88%	-20%	
(v)	Inventory Turnover Ratio	Sales	Average Inventory	18.63	12.81	45%	Sales have been higher and level of average inventory are down
(vi)	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	8.62	9.38	-8%	
(vii)	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	5.27	5.55	-5%	
(viii)	Net capital turnover ratio	Revenue	Average Working Capital	22.45	-	-	For 31st March 2022, average working capital was negative.
(ix)	Net profit ratio	Net Profit	Net Sales	7.85%	10.17%	-23%	
(x)	Return on capital employed (ROCE)	Earning before interest and taxes	Average Capital Employed	10.06%	10.89%	-8%	
(xi)	Return on Investment (ROI)	Income generated from investments	Time weighted average investments	6.85%	-	-	For 31st March 2022, Income generated from Investments were Nil.



Notes to the Financial Statements

56. General

Previous Years' figures have been regrouped / rearranged wherever considered appropriate to make them comparable with this year.

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

Pinaki Sarkar

Partner
Membership No.051449

Place: Kolkata
Date: 27th May, 2023

H. M. Gupta

Executive Chairman
DIN: 00065973
Place: Delhi

N. K. Khurana

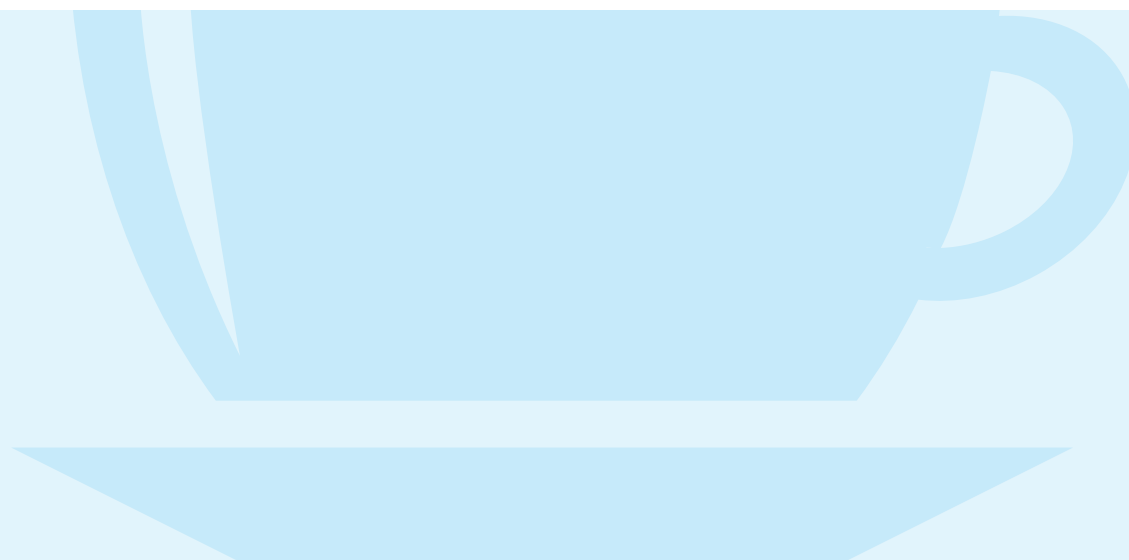
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Rahul Bhatnagar

Director
DIN: 07268064
Place: Noida, UP



Consolidated Financial Statements





Independent Auditors' Report

TO THE MEMBERS OF ROSSELL INDIA LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS Consolidated Financial Statements of Rossell India Ltd. ("the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, the consolidated profits and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon.

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Directors' Report but does not include the Consolidated Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including consolidated total comprehensive income), consolidated changes in equity and cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India.



Independent Auditors' Report

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies of the group used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Director use of the going concern basis of accounting in preparation of Consolidated Financial Statement and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in the matter that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements. We remain solely responsible for our audit opinion.



Independent Auditors' Report

- Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance of Holding Company and Subsidiaries regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

The financial statements of the subsidiary, Rossell Techsys Inc., USA reflect total Assets ₹ 147.69 Lakhs and total Liability ₹ 15.58 Lakhs as on 31st March, 2023, total Revenue ₹ 1,129.72, total net profit ₹ 45.61 Lakhs, total comprehensive income ₹ 33.57 lakhs and net Cash Flow amounting to ₹ 50.50 lakhs for the year ended on that date as considered in the consolidated statements.

The financial statements of the subsidiary have not been audited by us. We have considered the management representation in respect of the unaudited financial statement of the subsidiary and our opinion is based on the said representation

The financial statements of another subsidiary, Rossell Techsys Ltd., whose financial statements are audited by us, includes total assets of ₹ 1.10 lakhs and total Liability ₹ 17.90 Lakhs as on 31st March, 2023, total revenue of ₹ Nil, total net profit/(loss) ₹ (17.80) lakhs, total comprehensive income ₹ (17.80) lakhs and net Cash Flow of ₹ 1.00 lakhs for the year ended on that date as considered in the consolidated statements.

Report on Other legal and Regulatory Requirements

- 1.A As required by Section 143(3) of the Act, based on our audit we report, to the extent available that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the relevant returns and other documents provided by the Subsidiary Companies.
 - c) The Ind AS Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014..
 - e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and on the basis of written representation received by the Management from Directors of its Indian Subsidiary as on 31st March, 2023, none of the Directors of the Group is disqualified as on 31st March, 2023 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.



Independent Auditors' Report

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

- B With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and accordingly to the explanations given to us:

- a) The consolidated financial statements disclose the impact of pending litigations as at 31st March, 2023 on the consolidated financial position of the Group. Refer Note 41 to the consolidated financial statements.

- b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March, 2023.

- c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March, 2023.

- d) (i) The management has represented that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall;

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Group; or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;

- (ii) The management has represented that to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise that the Group shall

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of Funding Parties; or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;
- Based on such audit procedures as considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material mis-statement.

- e) The dividend declared or paid during the year by the Holding Company are in compliance with section 123 of the Act.

- C with respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act.

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act.

For **Khandelwal Ray & Co.**
Chartered Accountants
(Registration No.302035E)

Pinaki Sarkar
Partner

Membership No. 051449
UDIN: 23051449BGRVTR7432

Place : Kolkata
Date : 27th May, 2023



Annexure – A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Rossell India Limited (hereinafter referred to as the "Parent") for the year ended 31st March, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Parent and its Subsidiaries, Rossell Techsys Inc., USA and Rossell Techsys Limited (the Parent and its Subsidiaries together referred to as "the Group").

Management's Responsibility for Internal Financial Controls

The respective management of the companies in the Group, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls with reference to Consolidated Financial Statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system and their operating effectiveness. Our audit of internal financial controls system included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to Consolidated Financial Statement.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control with reference to Consolidated Financial Statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Annexure – A to the Auditors' Report

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to Consolidated Financial Statement were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Khandelwal Ray & Co.**,
Chartered Accountants
(Registration No.302035E)

Pinaki Sarkar
Partner

Membership No. 051449
UDIN: 23051449BGRVTR7432

Place : Kolkata
Date : 27th May, 2023

**Consolidated Balance Sheet** as at 31st March, 2023

₹ in Lakhs

Particulars		Note No.	31st March, 2023	31st March, 2022
I. ASSETS				
(1)	Non-current Assets			
(a)	Property, Plant and Equipment	4	24,148.65	23,098.81
(b)	Capital work-in-progress	5	412.50	572.33
(c)	Other Intangible Assets	6	882.82	313.62
(d)	Intangible Assets Under Development	7	81.14	333.42
(e)	Financial Assets			
(i)	Non-Current Investments	8	1,847.99	1,847.99
(ii)	Loans	9	6.13	0.84
(iii)	Other Financial Assets	10	380.46	559.33
(f)	Other Non-current Assets	11	70.38	87.66
	Total Non-Current Assets		27,830.07	26,814.00
(2)	Current Assets			
(a)	Inventories	12	15,174.76	12,173.73
(b)	Biological Assets other than Bearer Plants	13	67.06	110.45
(c)	Financial Assets			
(i)	Investments	14	1,525.54	-
(ii)	Trade Receivables	15	4,778.01	3,314.39
(iii)	Cash and Cash Equivalents	16	113.11	191.70
(iv)	Other Bank Balances	17	5.57	7.15
(v)	Loans	18	6.23	11.57
(vi)	Other Financial Assets	19	1.63	1.63
(d)	Current Tax Assets (Net)	20	32.05	30.59
(e)	Other Current Assets	21	1,838.27	2,139.85
	Total Current Assets		23,542.23	17,981.06
	TOTAL ASSETS		51,372.30	44,795.06
II. EQUITY AND LIABILITIES				
(1)	Equity			
(a)	Equity Share Capital	22	753.93	733.93
(b)	Other Equity		27,952.35	23,902.44
	Attributable to Owners of Parent		28,706.28	24,636.37
	Non Controlling Interests		-	-
	Total Equity		28,706.28	24,636.37
(2)	Liabilities			
(a)	Non-Current Liabilities			
(i)	Financial Liabilities			
	Borrowings	23	1,499.46	2,499.10
(ii)	Deferred Tax Liabilities (Net)	24	112.17	64.18
(iii)	Other Non-Current Liabilities	25	222.84	209.92
	Total Non-Current Liabilities		1,834.47	2,773.20



Consolidated Balance Sheet as at 31st March, 2023

₹ in Lakhs

Particulars		Note No.	31st March, 2023	31st March, 2022
(b) Current Liabilities				
(i) Financial Liabilities				
	Borrowings	26	14,661.89	12,846.24
	Trade Payables	27		
	- Total outstanding dues of micro enterprises and small enterprises		89.04	23.20
	- Total outstanding dues other than micro enterprises and small enterprises		2,684.21	2,325.89
	Other Financial Liabilities	28	212.50	173.27
	(ii) Other Current Liabilities	29	3,138.32	1,971.30
	(iii) Current Tax Liabilities (Net)	30	45.59	45.59
	Total Current Liabilities		20,831.55	17,385.49
	Total Liabilities		22,666.02	20,158.69
	TOTAL EQUITY AND LIABILITIES		51,372.30	44,795.06

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Place: Kolkata
Date: 27th May, 2023

**Consolidated Profit and Loss Statement** for the year ended 31st March, 2023

₹ in Lakhs

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
INCOME			
Revenue from operations	31	35,359.84	29,905.44
Other Income	32	397.28	425.79
Total Income		35,757.12	30,331.23
EXPENSES			
Cost of materials consumed	33	9,341.68	6,788.99
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	34	184.20	574.36
Employee benefits expense	35	13,891.61	12,442.13
Finance cost	36	1,177.55	998.94
Depreciation and amortization expense	37	1,373.24	1,245.12
Other expenses	38	6,597.64	5,544.61
Corporate Social Responsibility (CSR) activities		67.01	48.03
Total Expenses		32,632.93	27,642.18
Profit before extraordinary item and tax		3,124.19	2,689.05
Extraordinary Item			
Profit on Sale/Disposal of Tea Estate		-	658.78
		-	658.78
Profit before tax		3,124.19	3,347.83
Income Tax Expense			
(i) Current Tax			
Central Income Tax	39	300.00	300.00
Agricultural Income Tax	39	-	-
(ii) Deferred Tax - Charge	39	59.34	46.66
Total Tax Expense		359.34	346.66
Net Profit for the Period		2,764.85	3,001.17
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment defined benefit obligations		(144.16)	164.80
(ii) Income Tax relating to these items		11.35	(12.81)
Items that will be reclassified to profit or loss			
(i) Exchange differences on translation of financial statements of foreign operations		(12.04)	(1.49)
Other Comprehensive Income for the year, net of tax		(144.85)	150.50
Total Comprehensive Income for the year		2,620.00	3,151.67
Profit for the year			
Attributable to:			
Owners of the Parent		2,764.85	3,001.17
Non Controlling Interests		-	-
Other Comprehensive Income			
Attributable to:			
Owners of the Parent		(144.85)	150.50
Non Controlling Interests		-	-

Consolidated Profit and Loss Statement for the year ended 31st March, 2023

₹ in Lakhs

Particulars	Note No.	Year ended 31st March, 2023	Year ended 31st March, 2022
Total Comprehensive Income for the year			
Attributable to:			
Owners of the Parent		2,620.00	3,151.67
Non Controlling Interests		-	-
Earning per Equity Share [Nominal Value per share : ₹ 2 (Previous Year : ₹ 2)]			
(1) Basic	40	7.48	8.18
(2) Diluted		7.38	8.18

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

Place: Kolkata
Date: 27th May, 2023

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

**Consolidated Cash Flow Statement** for the year ended 31st March, 2023

₹ in Lakhs

	2022-2023		2021-2022	
A. Cash Flow from Operating Activities				
Profit before Tax		3,124.19		3,347.83
- Adjustment for :				
Depreciation and Amortization expense	1,373.24		1,245.12	
Finance Cost	1,177.55		998.94	
Net Gain on Foreign Currency Transaction and Translation	(268.76)		(246.18)	
(Profit)/ Loss on Disposal of Property, Plant and Equipment (Net)	(3.85)		(26.31)	
Liabilities no more required written back (net)	(0.14)		(8.19)	
Exchange difference on translation of foreign operations	(12.04)		(1.49)	
		2,266.00		1,961.89
		5,390.19		5,309.72
Items Considered in Investing Activity :				
Interest on Deposits etc.	(19.31)		(13.86)	
Net Gain on restatement of Investments designated at FVTPL	(25.61)		-	
Profit on sale of Investments designated at FVTPL	-		(15.40)	
		(44.92)		(29.26)
		5,345.27		5,280.46
Operating Profit before Working Capital Changes				
- Adjustment for :				
Trade Receivables, Loans, Advances and Other Assets	(938.15)		(898.01)	
Inventories	(3,001.03)		(1,080.43)	
Trade Payable, Other Liabilities and Provisions	1,483.24		1,105.90	
		(2,455.94)		(872.54)
Cash Generated from Operations		2,889.33		4,407.92
Direct Taxes (Net of refund)	(301.46)		(427.56)	
		(301.46)		(427.56)
Cash Flow before Extraordinary Item		2,587.87		3,980.36
Extraordinary Item		-		(658.78)
Net Cash Flow from Operating Activities		2,587.87		3,321.58



Consolidated Cash Flow Statement for the year ended 31st March, 2023

₹ in Lakhs

B. Cash Flow from Investing Activities	2022-2023	2021-2022
Purchase of Property, Plant and Equipment, Other Intangible Assets including Advances for Capital Assets	(2,579.84)	(1,531.03)
Sale/ Disposal of Tea Estate	-	1,469.25
Sale of Property, Plant and Equipment	26.07	32.89
Purchase of Non-current Investments	-	(5.02)
Proceeds from sale of Non-current Investments	-	70.01
Purchase of Current Investments	(1,499.93)	-
Interest Received	19.31	13.86
Net Cash Flow from Investing Activities	(4,034.39)	49.96
C. Cash Flow from Financing Activities		
Proceeds of Compulsorily Convertible Preference Shares (CCPS)	1,560.00	-
Intercorporate Deposits Received/(Refunded) (Net)	-	(1,608.00)
Proceeds of Working Capital Loan from Bank (Net)	1,815.65	208.93
Repayment of Term Loan From Banks	(999.64)	(999.64)
Payment of Interest/ Other Borrowing Cost	(980.13)	(1,043.15)
Gain/ (Loss) on Foreign Currency Translations	82.14	246.18
Dividend Paid	(110.09)	(110.09)
Net Cash Flow from Financing Activities	1,367.93	(3,305.77)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(78.59)	65.77
Cash and Cash Equivalents at the beginning of the Financial Year (Note 16)	191.70	125.93
Cash and Cash Equivalents at the end of the Financial Year (Note 16)	113.11	191.70

Notes:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7 - "Statement of Cash Flow".

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

Place: Kolkata
Date: 27th May, 2023

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023



Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

Equity Share Capital		₹ in Lakhs
A.	Balance at the beginning on 1st April, 2021	733.93
	Changes during the year 2021-2022	-
	Balance at the end on 31st March, 2022	733.93
	Changes during the year 2022-2023	20.00
	Balance at the end on 31st March, 2023	753.93

B.	Changes in Equity	Reserves and Surplus				Other Comprehensive Income			Attributable to Owners of the Parents	Non Controlling Interest	Total
		Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Remeasurement of Employees' Obligations	Impairment of Investment	Foreign Currency Translation Reserve			
	As at 1st April, 2021	248.01	2,609.55	17,565.72	1,210.98	(604.88)	(168.52)	-	20,860.86	-	20,860.86
	Profit for the year	-	-	-	3,001.17	-	-	-	3,001.17	-	3,001.17
	Dividend Paid	-	-	-	(110.09)	-	-	-	(110.09)	-	(110.09)
	Remeasurements of post-employment defined benefit obligations (Net of tax)	-	-	-	-	151.99	-	-	151.99	-	151.99
	Exchange differences arising on consolidation	-	-	-	-	-	-	(1.49)	(1.49)	-	(1.49)
	Transfer to General Reserve	-	-	2,500.00	(2,500.00)	-	-	-	-	-	-
	As at 31st March, 2022	248.01	2,609.55	20,065.72	1,602.06	(452.89)	(168.52)	(1.49)	23,902.44	-	23,902.44
	Profit for the year	-	-	-	2,764.85	-	-	-	2,764.85	-	2,764.85
	Securities Premium on Issuing CCPS (Note 1 below)	-	1,460.00	-	-	-	-	-	1,460.00	-	1,460.00
	Securities Premium on Conversion of CCPS to Equity Shares (Note 2 below)	-	80.00	-	-	-	-	-	80.00	-	80.00
	Dividend Paid	-	-	-	(110.09)	-	-	-	(110.09)	-	(110.09)
	Remeasurements of post-employment defined benefit obligations (Net of tax)	-	-	-	-	(132.81)	-	-	(132.81)	-	(132.81)
	Exchange differences arising on consolidation	-	-	-	-	-	-	(12.04)	(12.04)	-	(12.04)
	Transfer to General Reserve	-	-	2,500.00	(2,500.00)	-	-	-	-	-	-
	As at 31st March, 2023	248.01	4,149.55	22,565.72	1,756.82	(585.70)	(168.52)	(13.53)	27,952.35	-	27,952.35



Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

NOTES:

- The Board of Directors of the Parent by adopting a Resolution by Circulation on 27th June, 2022 allotted 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) (Instruments entirely Equity in nature) of ₹ 10 each at an issue price of ₹ 156 per CCPS including Securities Premium of ₹ 146 per CCPS aggregating to ₹ 1,560 Lakhs on preferential basis (for cash consideration) after obtaining the required regulatory approvals. Accordingly, ₹ 1,460 lakhs have been credited here.
- Further, the Board of Directors of the Parent at its Meeting held on 16th December, 2022 approved the conversion of aforesaid CCPS of Rs.10 each into 10,00,000 Equity Shares of ₹ 2 each pursuant to the option exercised by the Allottee as per the Terms of the Preferential Issue. The difference in face value of ₹ 8 per Share aggregating to ₹ 80 Lakhs was treated as further Securities Premium received on such issue and allotment of Equity Shares.

Nature and purpose of each Reserve

- Capital Reserve**
This represents the amounts received as compensation for Tea Estates Land acquired by competent authorities on various occasions as well as certain adjustments relating to various Schemes of Arrangements, which the Parent had entered in to in the earlier years.
- Securities Premium Reserve**
Securities Premium Reserve was created as per the Scheme of Arrangements with the value of net assets taken over by the Parent and again used to credit the premium on issue of Equity Shares by the Parent from time to time, including the present issues (Notes 1 and 2 above). The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.
- General Reserve**
General Reserve is created for ploughing back the profits earned by the Parent and retained before payment of dividend. This is free reserve and available for utilisation in accordance with the provisions of the Companies Act, 2013.
- Retained Earnings**
Retained earnings represent accumulated profits earned by the Group and remaining undistributed as on date.

In terms of our Report of even date

For **Khandelwal Ray & Co.**,
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
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Pinaki Sarkar
Partner
Membership No.051449

Place: Kolkata
Date: 27th May, 2023

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023



Notes to the Consolidated Financial Statements

Significant Accounting Policies and Other Notes to the Consolidated Financial Statement for the Year ended 31st March, 2023

1. Company Overview

Rossell India Limited (the Holding Company/ the Parent) is a Public Limited Company incorporated and domiciled in India. The Holding Company was incorporated on 10th June, 1994 under the Companies Act, 1956 with its registered office at Kolkata, West Bengal. The Equity Shares of the Holding Company are listed on National and Bombay Stock Exchanges. The Holding Company is engaged in the following business activities:

- a. Cultivation, Manufacture and Sell of Bulk Tea as Rossell Tea Division.
- b. Engineering and Manufacturing in Aerospace and Defense Services as Rossell Techsys Division.

Rossell Techsys Inc (the Subsidiary Company/ Subsidiary) is a Delaware Corporation, incorporated in the State of Delaware, USA. The Company was incorporated on 6th August, 2021 under General Corporation Law of Delaware, USA with its registered office at County of Sussex, Delaware. Rossell Techsys Inc, USA is engaged in the management and operations of its business related to the aerospace and airline industry and in connection therewith also provides certain services and activities to support the ongoing functions and requirements of other businesses operating in such industries.

Rossell Techsys Limited (the Subsidiary Company/ Subsidiary) is a Public Limited Company incorporated and domiciled in India. The Company was incorporated on 6th December, 2022 under the Companies Act, 2013 with its registered office at Kolkata, West Bengal. This Company was incorporated for taking over the existing undertaking of Rossell Techsys Division as per the Scheme of Arrangement (Note 48) already approved by the Board earlier and received NOC from Stock Exchanges/ SEBI. Accordingly, the Company has not taken up any Business Activity as yet.

2.1 Basis of Preparation

These Consolidated Financial Statements of the Group, comprising the Parent and Subsidiaries have been prepared in accordance with Indian Accounting Standard (Ind AS 110) as per Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the Act) and the other relevant provisions of the Act and Rules made thereunder.

Since the Subsidiary company, Rossell Techsys Limited was incorporated on 6th December, 2022 and became Wholly Owned Subsidiary on 16th December, 2022. Accordingly, the Consolidated Accounts include the Financial Results of the Subsidiary company, Rossell Techsys Limited for the Financial Year 2022-23 from 16th December, 2022 to 31st March, 2023. Thus previous year's figures are not comparable.

2.2 Consolidation Procedure

Consolidated Financial Statements:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with that of Subsidiaries;
- (b) Offset (eliminate) the carrying amount of the Parent's Investment in the Subsidiaries and the Parent's portion of equity of such Subsidiaries;
- (c) Eliminate in full intergroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group.

2.3 Basis of Measurement

The Consolidated Financial Statement has been prepared on a historical cost basis except the following items:

- a) Certain financial assets and liabilities (including derivative instruments) which are measured at fair value.
- b) Biological Assets other than Bearer Plants, which are measured at fair value less cost to sell.
- c) Defined benefit plans – plan assets measured at fair value.

2.4 Use of estimates and judgements

The preparation of financial statements in accordance with Ind AS requires management to use certain critical accounting estimates and assumptions. It also requires management to exercise judgment in the process of applying accounting policies. Actual results could differ from those estimates. These estimates, judgments, assumptions affect application of the accounting policies and the reported amounts of assets, liabilities, revenue, expenditure, contingent liabilities etc.

The estimates and underlying assumptions are reviewed on an ongoing basis and changes are made as management becomes aware of changes in the circumstances surrounding the estimates. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the financial statements in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.



Notes to the Consolidated Financial Statements

2.5 Basis of Consolidation

Subsidiaries

Subsidiaries are the entity controlled by the Group. This control comes on an entity when the group is exposed to, or has rights to, variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity. The Financial Statements of Subsidiaries are included in the Consolidated Financial Statements from the date on which the control commences and till the date control ceases.

2.6 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Holding and Subsidiary Companies normal operating cycle and other criteria set out in the Ind AS 1 – Presentation of financial statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, both the Companies have ascertained the operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

2.7 Share of Profit (Loss) of Subsidiary Companies

Based on Consolidated Financial Statements prepared in accordance with the above basis, the amount of Net Assets, share of Profit (Loss) of Subsidiaries and amount of Other Comprehensive Income (OCI) as attributable to Parent has been ascertained as under:

₹ in Lakhs

	31st March, 2023	31st March, 2022
Net Assets (100% attributable to Parent)	115.31	98.54
Share of Profit (100% attributable to Parent)	27.81	24.90
OCI (100% attributable to Parent)	(12.04)	(1.49)

3 Significant Accounting Policies

The following Significant Uniform Accounting Policies have been adopted by both Parent and Subsidiaries and accordingly by the Group for preparing these Consolidated Financial Statements

3.1 Property, Plant and Equipment

3.1.1 Tangible Assets (Other than Bearer Plants)

Property, Plant and Equipment are measured at cost / deemed cost, less accumulated depreciation and impairment losses, if any. Cost of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located. Deemed Cost is the carrying value of all of its Property, Plant and Equipment (other than Bearer Plants) as of 1st April, 2016 measured as per the previous GAAP as the Group elected to continue with the same carrying value as on the aforesaid transition date for Ind AS.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.



Notes to the Consolidated Financial Statements

Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost of the assets less its residual value, over their useful lives on a straight line basis. Estimated useful lives of the assets are as specified in Schedule II of the Companies Act, 2013, except for Bearer Plants, where the residual value is taken as Nil.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for on a prospective basis.

3.1.2 Bearer Plants

Bearer Plants comprising of mature tea bushes as well as matured black pepper vines and shade trees are stated at cost / deemed cost less accumulated depreciation and impairment losses, if any.

The cost of uprooting of old tea bushes, rehabilitation of land, replanting and young tea upkeep and maintenance up to the year 3 from the year of planting are capitalized as mature plants, capital work-in-progress. From year 4 onwards capital work-in-progress is treated as Bearer Plants and depreciated using Straight Line Method over the expected useful life of 70 years, when the Bearer Plants (mature tea bushes) reaches maturity stage with residual value as 'Nil'.

Depreciation on Bearer Plants is recognized so as to write off its cost over useful lives, using the Straight Line Method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

3.1.3 Intangible Assets

Intangible Assets comprise acquired Computer Software having a finite life. Cost of software is capitalized when it is expected to provide future enduring economic benefits. The capitalization cost includes license fee, cost of implementation and system integration services. The costs are capitalized in the year in which the relevant Software is implemented for use and is amortized across a period not exceeding 10 years.

3.1.4 Research and Development

Research and Development costs are expensed as incurred, unless technical and commercial feasibility of the project demonstrate that: (a) the future economic benefits are available, (b) the activity is being carried out with an intention and ability to complete as well as use the asset and (c) the costs can be measured reliably. In such case, the cost is capitalized as Intangible Asset - Knowhow. The costs which can be capitalized include the cost of material, direct labour, overhead costs including finance cost, if applicable that are directly attributable to bringing the asset for its intended use.

3.2 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

For translation of Financial Statement of the Subsidiary denominated in USD into INR, the year-end exchange rate has been considered for items of assets and liabilities thereof. While the average exchange rate has been taken for items of income and expenses of the Subsidiary as per Indian Accounting Standard Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'.

3.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of insurance claim for damage / shortage of finished goods and are net of sales return, GST and trade allowances.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Parent and significant risk and reward incidental to sale of products is transferred to the buyer or services are rendered as per terms of the relevant contract.



Notes to the Consolidated Financial Statements

3.3.1 Financial Instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issues of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date i.e. the date when the Group commits to purchase or sell the asset.

3.3.2 Financial Assets

Recognition and Classification

The financial assets are classified at initial recognition in the following measurement categories as:

- those subsequently measured at amortized cost.
- those to be subsequently measured at fair value [either through other comprehensive income (OCI), or through profit or loss]

Subsequent Measurement

- Financial assets measured at amortized cost – Financial assets which are held within the business model of collection of contractual cash flows and where those cash flows represent payments solely towards principal and interest on the principal amount outstanding are measured at amortized cost. A gain or loss on a financial asset that is measured at amortized cost and is not a part of hedging relationship is recognized in profit or loss when the asset is derecognized or impaired.
- Financial assets measured at fair value through other comprehensive income – Financial assets that are held within a business model of collection of contractual cash flows and for selling and where the assets' cash flow represents solely payment of principal and interest on the principal amount outstanding are measured at fair value through OCI. Movements in carrying amount are taken through OCI, except for recognition of impairment gains or losses. When a financial asset, other than investment in equity instrument, is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit and loss.

Classification of equity instruments, not being investments in subsidiaries, associates and joint arrangements, depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. When investment in such equity instrument is derecognized, the cumulative gains or losses recognized in OCI is transferred within equity on such derecognition.

- Financial assets measured at fair value through profit or loss – Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. Movements in fair value of these instruments are taken in profit or loss.

Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Impairment losses are recognized in the profit or loss, where there is an objective evidence of impairment based on reasonable and supportable information that is available without undue cost or effort. For all financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Group recognizes loss allowances on trade receivables when there is an objective evidence that the Group will not be able to collect all the due amount depending on product categories and the payment mechanism prevailing in the industry.

Income recognition on financial assets

Interest income from financial assets is recognized in profit or loss using effective interest rate method, where applicable.

Dividend income is recognized in profit or loss only when the Parent's right to receive payments is established and the amount of dividend can be measured reliably.



Notes to the Consolidated Financial Statements

3.3.3 Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified, at initial recognition, as subsequently measured at amortized cost unless they fulfill the requirement of measurement at fair value through profit or loss. Where the financial liability has been measured at amortized cost, the difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest rate method. Financial liabilities at fair value through profit or loss are carried at fair value with changes in fair value recognized in the finance income or finance cost in the statement of profit or loss.

3.3.4 Derecognition of financial assets and financial liabilities

Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Group has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished that is when the contractual obligation is discharged, cancelled or expired.

3.3.5 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

3.4 Derivatives and hedging activities

The Group at times, do have derivative financial instruments such as forward contracts to mitigate risk of changes in exchange and interest rates, although it was Nil outstanding at on 31st March, 2023. The counterparty for these contracts is generally banks.

3.4.1 Derivatives

Derivatives are measured at fair value. All fair value gains and losses are recognized in profit and loss except where the derivatives qualify as hedging instruments in cash flow hedges or net investment hedges.

3.4.2 Cash flow hedges that qualify for hedge accounting:

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions.

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the Other Comprehensive Income.

3.5 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the entity will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of Property, Plant and Equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a Straight Line basis over the useful life of the related assets and presented within other income.



Notes to the Consolidated Financial Statements

3.6 Income Tax

The Income Tax expense or credit for the period is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses as well as available MAT Credit.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Current tax comprises of expected tax payable or receivable on taxable income / loss for the year or any adjustment or receivable in respect of previous year.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognized in profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.7 Inventories

Stock of finished goods and stock-in-trade are valued at lower of cost and net realizable value. Finished goods, produced from agricultural produce viz. Black Tea and Tea Waste, are valued at lower of cost arrived at by adding the cost of conversion to the fair value of agricultural produce viz. Green Leaves and the net realizable value. Agricultural produces, viz. Green Leaves harvested from the Company's own Tea Estates, are valued at fair value less cost to sale at the point of harvest. Black Pepper, being an Agricultural Produce is also valued at the net realizable value.

Raw Materials purchased (including Bought Green Leaves) and Stores and Spare Parts are valued at or under cost. Work-in-progress is valued at works cost based on technical evaluation of the stage of completion.

Provision is made for obsolete, slow moving and defective inventories, wherever necessary and reviewed from time to time.

Costs are ascertained to the individual item of inventory by adopting weighted average method. Net realizable value is the estimated selling price for inventories less all selling costs.

3.8 Biological Assets

Biological Assets comprises of unharvested Green Tea Leaves. These are recognized as such when and only when, (a) the Parent controls the assets as a result of past events, (b) it is probable that future economic benefits associated with such assets will flow to the Parent and (c) the fair value or cost of assets can be measured reliably. These assets are measured at its fair value less cost to sell. The gain or loss arising from change in such value is included in Statement of Profit and Loss.

3.9 Agricultural Produce

Agricultural Produce comprises of harvested Green Tea Leaves as well as Black Pepper, from its own Tea Estates. These are valued at fair value less cost to sell on the reporting date. The gain or loss arising from change in such value is included in the Statement of Profit and Loss under the head Consumption of Raw Materials (Green leaves) or Change in inventories of Finished Goods, as applicable.



Notes to the Consolidated Financial Statements

3.10 Employee Benefits

3.10.1 These are recognized at the undiscounted amount as expense for the year in which the related service is rendered.

3.10.2 The Parent is contributing regularly to the Provident Funds, administered by the Governments and independent of Company's finances, in respect of all its eligible employees. The Parent also operates Defined Contribution Scheme for payment of Pension to certain classes of employees. Monthly contribution at 15% of the eligible employees' current salary is made to recognized Superannuation Fund, which is fully funded. This Fund is administered by Trustees and is independent of Parent's finance. Contributions are recognized in Profit and Loss Statement on an accrual basis.

3.10.3 Defined Benefit Gratuity Plan is also maintained by the Parent. The Parent contributes to the recognized Gratuity Fund, which is administered by the Trustees and is independent of Parent's finance. The Annual Contribution is determined by the actuary at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Statement. The Parent also recognizes in the Profit and Loss Statement gains or losses on curtailment or settlement of the defined benefit plan as and when the curtailment or settlement occurs.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized, in the year in which they occur, directly in Other Comprehensive Income and eventually included in retained earnings in the Statement of changes in Other Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the Statement of Profit and Loss as past service cost.

3.10.4 Leave encashment liability for eligible employees is provided for at the end of the year, as actually computed and paid/provided for and the charge is recognized in the Profit and Loss Statement.

3.11 Leases

Leases are recognized as per Ind AS 116 when there is a contract that conveys the right to control the use of an identified asset. Such leases are amortized over the lease term.

3.12 Borrowing costs

Borrowing costs consist of interest and related costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets or for self-created assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

3.13 Provisions and Contingent Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking in to account the risks and uncertainties surrounding the obligation.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

3.14 Operating Segments

In terms of Ind AS 108, Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) viz. the Chief Executive officer (Executive Chairman) of the Group. The Chief Operating Decision Maker is responsible for allocating resources and assessing performance of the operating segments, which are engaged in separate business activities from which it earns revenue and incur expenses. For each of the segments discreet Financial Results are available.



Notes to the Consolidated Financial Statements

₹ in Lakhs

4. PROPERTY, PLANT AND EQUIPMENT										
Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2022	Additions during the Year	Disposal during the Year	As at 31st March, 2023	As at 1st April, 2022	Depreciation for the year	Disposal during the Year	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Land - Tea Estates	6,330.99	8.63	-	6,339.62	-	-	-	-	6,339.62	6,330.99
Land - Leasehold	1,165.55	-	-	1,165.55	69.49	11.79	-	81.28	1,084.27	1,096.06
Bearer Plants - Tea Bushes	2,423.09	278.16	0.79	2,700.46	228.54	58.02	0.44	286.12	2,414.34	2,194.55
Bearer Plants - Black Pepper Vines	20.68	-	-	20.68	6.21	1.89	-	8.10	12.58	14.47
Buildings	10,685.52	1,331.38	4.77	12,012.13	1,576.97	318.73	1.24	1,894.46	10,117.67	9,108.55
Plant and Equipment	6,375.46	527.86	105.40	6,797.92	3,599.03	479.88	92.13	3,986.78	2,811.14	2,776.43
Furniture and Fixtures	1,581.68	14.38	1.24	1,594.82	737.07	120.23	1.18	856.12	738.70	844.61
Vehicles	1,194.27	27.29	52.05	1,169.51	791.33	78.39	49.37	820.35	349.16	402.94
Office Equipment	411.38	13.33	16.53	408.18	283.00	32.02	15.54	299.48	108.70	128.38
Computers	725.69	55.15	22.31	758.53	523.86	83.39	21.19	586.06	172.47	201.83
31st March, 2023	30,914.31	2,256.18	203.09	32,967.40	7,815.50	1,184.34	181.09	8,818.75	24,148.65	23,098.81
31st March, 2022	31,094.73	1,513.56	1,693.98	30,914.31	7,135.20	1,108.11	427.81	7,815.50		

5. CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE					
Particulars	Amount in CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	246.07	127.86	14.34	24.23	412.50
	331.96	120.78	61.59	58.00	572.33
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
31st March, 2023	246.07	127.86	14.34	24.23	412.50
31st March, 2022	331.96	120.78	61.59	58.00	572.33

6. OTHER INTANGIBLE ASSETS										
Particulars	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at 1st April, 2022	Additions during the Year	Disposal during the Year	As at 31st March, 2023	As at 1st April, 2022	Amortisation for the year	Disposals during the Year	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Know-how	-	705.99	-	705.99	-	33.08	-	33.08	672.91	-
Computer Software	844.19	52.33	4.59	891.93	530.57	155.82	4.37	682.02	209.91	313.62
31st March, 2023	844.19	758.32	4.59	1,597.92	530.57	188.90	4.37	715.10	882.82	313.62
31st March, 2022	662.22	187.20	5.23	844.19	396.56	137.01	3.00	530.57		

7. INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE					
Particulars	Amount in Intangible Assets Under Development for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	81.14	-	-	-	81.14
	333.42	-	-	-	333.42
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
31st March, 2023	81.14	-	-	-	81.14
31st March, 2022	333.42	-	-	-	333.42

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

	31st March, 2023	31st March, 2022
8. NON-CURRENT INVESTMENTS		
In Equity Instruments - Others		
R V Enterprizes Pte. Ltd. - no Par Value denominated in USD 2,49,924.40 (Extent of holding - 13%) (31.03.2022- USD 2,49,924.40) at FVTOCI	-	-
In Preference Instruments - Others		
R V Enterprizes Pte. Ltd. - 34,52,359 (31.03.2022-34,52,359) Shares of US\$ 1 each measured at FVTOCI	1,847.99	1,847.99
	1,847.99	1,847.99
A. Aggregate amount of Quoted Investments	-	-
B. Aggregate amount of Unquoted Investments	1,847.99	1,847.99
C. Aggregate amount of Impairment in Value of Investments (considered in OCI)	168.52*	168.52*
* Note: There is no impairment during the year		
9. LOANS		
Unsecured Considered Good		
Loan to Employees	6.13	0.84
	6.13	0.84
10. OTHER FINANCIAL ASSETS		
Security Deposits	195.29	154.79
Other Deposits	185.17	404.54
	380.46	559.33
11. OTHER NON-CURRENT ASSETS		
Capital Advances	70.38	87.66
	70.38	87.66
12. INVENTORIES		
Raw Materials (Green Leaf - Agricultural Produce)- At fair value	21.71	37.49
Raw Materials (Others)- At cost	12,867.04	9,768.43
Finished Goods (Black Pepper - Agriculture Produce) - At fair value less cost to sell	32.49	1.27
Finished Goods - At lower of cost and net realisable value (including in transit ₹ 169.13 Lakhs (31.03.2022 - ₹ 52.75 Lakhs))	882.27	1,420.37
Stores and Spares - At or under cost	506.61	404.21
Work-in-Progress - At works cost	864.64	541.96
	15,174.76	12,173.73



Notes to the Consolidated Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
13. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS		
Fair Value of Biological Assets Other than Bearer Plants (Unharvested Green Tea Leaves)	67.06	110.45
	67.06	110.45

14. INVESTMENTS		
Investment at Fair Value through Profit or Loss		
Investment in Mutual Funds (Unquoted)		
28,74,651.996 Units (2022- Nil) of SBI Savings Fund - Regular Plan - Growth	1,017.91	-
17,018,390 Units (2022- Nil) of SBI Magnum Low Duration Fund - Regular Plan - Growth	507.63	-
	1,525.54	-

15. TRADE RECEIVABLES		
Trade Receivables Considered Good-Unsecured	4,778.01	3,314.39
Trade Receivables which have significant increase in credit risk	-	-
	4,778.01	3,314.39

15A. TRADE RECEIVABLES AGEING SCHEDULE							
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade receivables – considered good	3,254.95	1,198.17	306.10	0.10	7.03	11.66	4,778.01
	2,505.15	609.06	178.47	1.87	19.84	-	3,314.39
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
31st March, 2023	3,254.95	1,198.17	306.10	0.10	7.03	11.66	4,778.01
31st March, 2022	2,505.15	609.06	178.47	1.87	19.84	-	3,314.39

16. CASH AND CASH EQUIVALENTS		
Balance with Banks - Current Accounts	107.56	182.46
Cash on hand	5.55	9.24
	113.11	191.70

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

	31st March, 2023	31st March, 2022
17. OTHER BANK BALANCES		
Dividend Accounts *	5.57	7.15
Total	5.57	7.15
* Earmarked for payment of unclaimed dividend		
18. LOANS		
Unsecured Considered Good		
Loan to Employees	6.23	11.57
	6.23	11.57
19. OTHER FINANCIAL ASSETS		
Deposit with Bank under Lien with State's VAT authorities as Security Deposit	1.63	1.63
	1.63	1.63
20. CURRENT TAX ASSETS		
Central Income Tax	32.05	30.59
	32.05	30.59
21. OTHER CURRENT ASSETS		
Advances to Suppliers, Service Providers etc.	110.87	75.44
Advances Recoverable	139.23	361.05
Prepaid Expenses	244.79	482.63
Other Receivables	15.07	26.27
Input Tax Credit/ Refund (GST) Receivable	525.42	579.16
Subsidies receivable from Governments	791.26	609.51
Export Incentives Receivables	11.63	5.79
	1,838.27	2,139.85



Notes to the Consolidated Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
22. EQUITY SHARE CAPITAL		
Authorized		
3,80,00,000 (31.03.2022 - 4,50,00,000) Equity Shares of ₹ 2 each	760.00	900.00
14,00,000 (31.03.2022 - Nil) Preference Shares of Rs.10 each	140.00	-
Issued, Subscribed and Paid Up		
3,76,96,475 (31.03.2022 - 3,66,96,475) Equity Shares of ₹ 2 each fully paid up	753.93	733.93
A) Rights, Preferences and Restrictions attached to the Ordinary Share		
The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share and is entitled to participate in Dividend, which may be proposed by the Board of Directors. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
B) Equity Shares held by Holding Company		
BMG Enterprises Ltd.	2,47,31,795	2,37,63,795
C) Shareholders holding more than 5% of the aggregate Equity Share capital in the Company		
Name of the Shareholder	No. of Equity Shares and % of Holding	No. of Equity Shares and % of Holding
BMG Enterprises Ltd., Holding Company	2,47,31,795	2,37,63,795
	65.61	64.76
Harsh Mohan Gupta	18,77,751	18,77,751
	4.98	5.12
D) Reconciliation of Number of Shares		
Equity Shares outstanding at the beginning of the year	3,66,96,475	3,66,96,475
Add: Equity Shares issued during the year	10,00,000	-
Equity Shares outstanding at the end of the year	3,76,96,475	3,66,96,475
E)		
The Parent has issued and allotted 10,00,000 Equity Shares of ₹ 2 each on 16th December, 2022 when the Board of Directors at its Meeting held on 16th December, 2022 approved the conversion of 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) of Rs.10 each into 10,00,000 Equity Shares of ₹ 2 each pursuant to the option exercised by the Allottee as per the Terms of the Preferential Issue. (Notes 1 and 2 on Other Equity)		
F) Shareholding of Promoters		
Sl. No.	Promotor Name	No. of Equity Shares and % of Total Shares
1	BMG Enterprises Ltd., Holding Company	2,47,31,795
		65.61%
2	Mr. Harsh Mohan Gupta	18,77,751
		4.98%
3	Mr. Rishab Mohan Gupta	7,69,203
		2.04%
4	Ms. Vinita Gupta	6,93,670
		1.84%
		2,37,63,795
		64.76%
		18,77,751
		5.12%
		7,69,203
		2.10%
		6,93,670
		1.89%

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

		31st March, 2023	31st March, 2022
5	Harvin Estates Pvt. Ltd.	1,01,045	3,61,045
		0.27%	0.98%
6	Ms. Samara Gupta	15,000	15,000
		0.04%	0.04%
7	BMG Investments Pvt Ltd	9,769	9,769
		0.03%	0.03%
	Total	2,81,98,233	2,74,90,233
		74.80%	74.92%
	% Change during the Year		
	BMG Enterprises Ltd., Holding Company	0.85%	-
	Mr. Harsh Mohan Gupta	-0.14%	-
	Mr. Rishab Mohan Gupta	-0.06%	-
	Ms. Vinita Gupta	-0.05%	-
	Harvin Estates Pvt. Ltd.	-0.71%	-

23. NON CURRENT BORROWINGS			
SECURED			
Term Loans from Banks			
HDFC Bank Limited		2,499.10	3,498.74
Less: Current maturities of long term debts		999.64	999.64
		1,499.46	2,499.10
a) Nature of Security			
Equitable Mortgage of Leasehold Land and Buildings constructed thereon at Bangalore.			
b) Rate of Interest prevailing at year end - 9.90% p.a. (2022 - 7.65% p.a.)			
c) Terms of Repayment			
Repayment in 20 Equal Quarterly Instalments till September, 2025			
		1,499.46	2,499.10

24. DEFERRED TAX LIABILITIES/ (ASSETS) (NET)			
Deferred Tax Liabilities			
The balance comprises temporary differences attributable to:			
i) Property, Plant and Equipment and Other Intangible Assets		771.16	641.04
ii) Financial Assets at Fair Value through Profit or Loss		7.46	-
iii) Fair Value of Inventories		0.94	6.33
iv) Deferred tax related to OCI items		-	12.81
iv) Other Items - On Biological Asset at Fair Value		-	11.21
Deferred Tax Liabilities (A)		779.56	671.39



Notes to the Consolidated Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
Deferred Tax Assets		
The balance comprises temporary differences attributable to:		
i) Deferred tax related to OCI items	11.35	-
ii) Minimum Alternate Tax Credit Entitlement	643.18	607.21
iii) Other Items - On Biological Asset at Fair Value	12.86	-
Deferred Tax Assets (B)	667.39	607.21
Net Deferred Tax Liabilities/(Assets) (A-B)	112.17	64.18
25. OTHER NON - CURRENT LIABILITIES		
Liabilities for Expenses	9.94	11.51
Government Grants		
Opening Balance	198.41	200.27
Received during the year	20.62	2.84
Less : Deferred Income to be appropriated within one year	6.13	4.70
Closing Balance	212.90	198.41
	222.84	209.92
26. CURRENT BORROWINGS		
Secured Loans repayable on demand from Banks*		
Cash Credit, Packing Credit and Demand Loans	13,162.25	11,846.60
Nature of Security		
Secured by first pari passu charge by way of :		
a) Equitable Mortgage on immovable properties, being Leasehold Land and Buildings constructed thereon at Bangalore as well as Dikom, Nokhroy, Nagrijuli, Romai and Namsang Tea Estates of the Company and b) Hypothecation of movable properties of Rossell Tea and Rossell Techsys Divisions (including Stock and Book Debts), both present and future of the Company.		
Current Maturities of Long Term Borrowings	999.64	999.64
Unsecured		
Demand Loan from Bank	500.00	-
	14,661.89	12,846.24

*Utilised for Specific purpose for which it was taken.

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

	31st March, 2023	31st March, 2022
27. TRADE PAYABLES		
Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises	89.04	23.20
b) Total outstanding dues other than micro enterprises and small enterprises	2,684.21	2,325.89
	2,773.25	2,349.09

27A. TRADE PAYABLE AGEING SCHEDULE

Particulars	Outstanding for following periods from due date of payment*				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	89.04	-	-	-	89.04
	23.20	-	-	-	23.20
(ii) Others	2,674.59	8.20	0.98	0.44	2,684.21
	2,317.96	7.56	0.37	-	2,325.90
(iii) Disputed dues – MSME	-	-	-	-	-
	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	-	-	-	-	-
31st March, 2023	2,763.63	8.20	0.98	0.44	2,773.25
31st March, 2022	2,341.16	7.56	0.37	-	2,349.09

*Ageing has been considered from the date of transaction

28. OTHER FINANCIAL LIABILITIES

Interest accrued but not due on borrowings	60.25	44.18
Unpaid Dividends (Note below)	5.57	7.15
Capital Liabilities	146.68	121.94
	212.50	173.27

Note: Amount due for Transfer to Investor Education and Protection Fund within 1 year - ₹ 2.03 lakhs (2022 - ₹ 2.37 lakhs)

29. OTHER CURRENT LIABILITIES

Advances from Customers	1,154.32	85.34
Liabilities for Expenses	1,650.93	1,483.15
Statutory dues	203.40	187.20
Deferred Income related to Government Grants		
Opening Balance	4.70	5.59
Add: Grant Received during the year	0.89	24.78
Add: Deferred Income to be appropriated as Income within One Year	6.13	4.70
Less :Released to Profit and Loss Statement during the year	5.59	30.37
Closing Balance	6.13	4.70
Due to Rossell India Employees' Gratuity Fund	123.54	210.91
	3,138.32	1,971.30



Notes to the Consolidated Financial Statements

₹ in Lakhs

	31st March, 2023	31st March, 2022
30. CURRENT TAX LIABILITIES (NET)		
Provision for Agricultural Income Tax	45.59	45.59
	45.59	45.59

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

Place: Kolkata
Date: 27th May, 2023

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

	2022-2023	2021-2022
31. REVENUE FROM OPERATIONS		
(a) Sale of Products		
Black Tea	16,219.92	14,109.52
Black Pepper	13.52	23.04
Avionics, Aviation and Electronic Equipment	18,628.69	14,708.58
	34,862.13	28,841.14
(b) Sale of Services		
Receipts for Technical and Support Services	5.42	432.77
(c) Other Operating Revenues		
Subsidy -		
- Replanting, Irrigation and Machinery Subsidy	5.59	30.37
- Transport Subsidy	9.87	-
- Orthodox Subsidy	365.81	157.18
Sundry Receipts	86.81	120.65
Changes in Fair Value of Biological Assets	-	37.81
Incentive under MEIS entitlement and other Benefits relating to exports / premium on sale thereof	24.21	285.52
	492.29	631.53
	35,359.84	29,905.44
32. OTHER INCOME		
Interest Income from Financial Assets at amortised cost		
On Deposits-at amortised cost	19.07	13.86
On Loans- at effective interest basis	1.81	2.29
Interest Income from Tax Refunds	0.24	-
Interest Subvention under Assam Tea Industries Special Incentive Scheme, 2020	75.88	113.56
Profit on Sale of Investment designated at FVTPL	-	15.40
Net Gain on restatement of Investments designated at FVTPL	25.61	-
Liabilities no Longer Required Written Back (Net)	0.14	8.19
Net Gain on Foreign Currency Transaction and Translation	268.76	246.18
Profit (net) on Disposal of Property, Plant and Equipment	3.85	26.31
Miscellaneous Income	1.92	-
	397.28	425.79



Notes to the Consolidated Financial Statements

₹ in Lakhs

	2022-2023	2021-2022
33. COST OF MATERIALS CONSUMED		
Purchased Green Leaf Consumed*	619.66	382.02
Consumption of Raw Materials	8,722.02	6,406.97
	9,341.68	6,788.99
* Includes change in Fair Value of Stock of Own Green Leaf on reporting dates		
34. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS		
Stock of Work in Progress at the beginning of the year	541.96	817.42
Less: Stock of Work in Progress at the end of the year	864.64	541.96
(Increase) / Decrease	(322.68)	275.46
Stock of Finished Goods at the beginning of the year	1,421.64	1,720.54
Less: Stock of Finished Goods at the end of the year	914.76	1,421.64
(Increase) / Decrease	506.88	298.90
	184.20	574.36
35. EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	11,434.50	10,486.21
Contribution to Provident and other Funds	1,406.46	925.38
Workmen and Staff Welfare	1,050.65	1,030.54
	13,891.61	12,442.13
36. FINANCE COST		
Interest Cost on Financial Liabilities carried at amortised cost		
On Term Loans	275.57	339.91
On Working Capital Loans	669.49	596.75
On Intercorpoarte Deposits (Related Party)	-	26.72
On Others	9.52	0.95
Other Borrowings Cost	36.35	34.61
Net Loss on Foreign Currency Transactions (Net)	186.62	-
	1,177.55	998.94
Disclosure pursuant to Pararaph 26 of Ind AS 23 Borrowings Cost		
a) The amount of interest capitalised during the year on self constructed assets (Bearer Plants - Capital work in Progress)	5.27	5.07
b) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	7.13%	6.64%

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

	2022-2023	2021-2022
c) The amount of interest capitalised during the year on self constructed assets (Plant and Machinery - Capital work in Progress)	-	1.90
d) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	-	4.70%
e) The amount of interest capitalised during the year on self constructed assets (Intangible Assets under Development)	-	14.87
f) Capitalisation rate used to determine the amount of interest eligible for Capitalisation as per Paragraph 14	-	4.70%
37. DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Property, Plant and Equipment	1,184.34	1,108.11
Amortization of Other Intangible Assets	188.90	137.01
	1,373.24	1,245.12
38. OTHER EXPENSES		
Consumption of Stores and Spare Parts	944.26	904.20
Power and Fuel	1,557.74	1,033.09
Rent	108.62	86.58
Rates and Taxes	60.94	40.57
Repairs to Building	187.83	279.80
Repairs to Machinery	236.11	216.34
Other Repairs	412.25	362.52
Vehicles Maintenance	266.96	241.44
Transportation Expenses	273.52	243.99
Freight and Shipment Charges	112.98	75.90
Warehousing Expenses	138.51	143.74
Other Selling Expenses	203.50	223.43
Brokerage	140.21	116.84
Commission on Sales	-	1.38
Legal and Professional Fees	442.67	453.43
Insurance	156.47	154.35
Directors' Fee and Commission	36.05	43.35
Auditors' Remuneration (Note below)	7.28	5.71
Traveling and Conveyance	501.70	305.38
Research & Development Expenses	213.31	95.30
Miscellaneous Expenses	553.34	517.27
Changes in Fair Value of Biological Assets	43.39	-
	6,597.64	5,544.61



Notes to the Consolidated Financial Statements

₹ in Lakhs

	2022-2023	2021-2022
Note: Break up of Auditors' Remuneration		
As Auditor	5.10	4.50
For Other Services		
Certification Job	1.83	0.93
Reimbursement of Expenses	0.35	0.28
	7.28	5.71
39. INCOME TAX EXPENSES		
Current Tax		
Assam Agricultural Income Tax for the year	-	-
Income Tax for the year	300.00	300.00
Total Current Tax	300.00	300.00
Deferred Tax		
Deferred Tax	59.34	46.66
40. EARNINGS PER SHARE		
Profit for the Year	2,764.85	3,001.17
Weighted average number of Equity Shares outstanding for the purpose of :		
- Basic Earnings per Equity Share	369.87	366.96
- Diluted Earnings per Equity Share	374.58	366.96
Basic Earnings per Equity Share of ₹ 2 each	7.48	8.18
Diluted Earnings per Equity Share of ₹ 2 each	7.38	8.18
41. CONTINGENT LIABILITIES AND COMMITMENTS'		
(i) Estimated amount of Contingent Liabilities not provided for		
a. Claims against the Company not acknowledged as Debts	51.62	51.62
b. Income Tax Demands disputed before Appellate Authorities	1,067.20	-
c. Bank Guarantees outstanding	1.66	65.61
(ii) Commitments		
Estimated amount of contracts to be executed on Capital Account and not provided for (net of Advances)	160.71	205.99
42. SEGMENT INFORMATION		
In terms of Ind AS 108, the Group has the following reportable Operating Segments as Primary Segments:		
Business Activity	Operating Segment	
A. Cultivation, Manufacture and Sale of Tea	Cultivation, Manufacture and Sell of Bulk Tea	
B. Aviation Products and Services	Engineering and Manufacturing in Aerospace and Defense	

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

	2022-2023	2021-2022
SEGMENT INFORMATION (contd)		
Segments' Revenue		
A. Cultivation, Manufacture and Sale of Tea	16,721.75	14,442.24
B. Aviation Products and Services	18,638.09	15,463.20
Total Revenue from Operations	35,359.84	29,905.44
Segments' Results		
A. Cultivation, Manufacture and Sale of Tea	2,568.99	2,221.73
B. Aviation Products and Services	2,294.48	1,923.05
	4,863.47	4,144.78
Less: Interest	1,177.55	998.94
Unallocated Expenses net of unallocated Income	561.73	456.79
Profit before Tax	3,124.19	2,689.05
Segments' Assets		
A. Cultivation, Manufacture and Sale of Tea	15,760.78	15,615.62
B. Aviation Products and Services	30,721.18	26,564.77
	46,481.96	42,180.39
Add: Unallocated	4,890.34	2,614.67
Total Assets	51,372.30	44,795.06
Segment Assets include the following Capital Expenditure for the year		
A. Cultivation, Manufacture and Sale of Tea	687.70	914.66
B. Aviation Products and Services	1,129.67	598.51
	1,817.37	1,513.17
Add: Unallocated	1,197.13	187.59
Total Additions to Property, Plant and Equipment during the year	3,014.50	1,700.76
Segments' Liabilities		
A. Cultivation, Manufacture and Sale of Tea	3,662.16	5,083.76
B. Aviation Products and Services	18,709.64	14,685.24
	22,371.80	19,769.00
Add: Unallocated	294.22	389.69
	22,666.02	20,158.69



Notes to the Consolidated Financial Statements

₹ in Lakhs

43. Related Party Disclosure as per Ind AS 24 for the Financial Year Ended 31st March 2023	
(i)	Holding Company BMG Enterprises Ltd. Extend of holding of Equity Share - 65.61%
(ii)	Enterprises over which the Key Management Personnel or their relatives have significant influence BMG Investments Private Ltd. Harvin Estates Private Ltd. BMG Foundation
(iii)	Key Management Personnel Mr. H.M.Gupta - Executive Chairman Mr. R M Gupta - Whole Time Director Mr. N K Khurana - Director (Finance) and Company Secretary Ms. Nayantara Palchoudhuri - Non-Executive Director Mr. K Katyal - Non-Executive Director Mr. R Bhatnagar - Non-Executive Director
(iv)	Relatives of Key Management Personnel with whom transactions took place during the year Mrs. Vinita Gupta - Wife of Mr. H M Gupta Ms. Samara Gupta - Daughter of Mr. H M Gupta

		Financial Year	
		2022-2023	2021-2022
(v)	Transactions / balances with Holding Company		
	a) Loan from BMG Enterprises Ltd, Holding Company		
	At the beginning of the year		
	Principal	-	840.00
	Interest	-	-
	Received during the year	-	198.00
	Repayment during the year	-	1,038.00
	Interest paid	-	11.68
	At the end of the year		
	Principal	-	-
	Interest	-	-
	b) Rent paid for Office Space		
	- BMG Enterprises Ltd	-	12.00
(vi)	Transactions/ balances with Enterprises where significant influence is exercisable		
	a) Loan from BMG Investment Pvt Ltd		
	At the beginning of the year		
	Principal	-	768.00
	Interest	-	-
	Received during the year	-	756.00
	Repayment during the year	-	1,524.00
	Interest paid	-	15.04
	At the end of the year		
	Principal	-	-
	Interest	-	-

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

		Financial Year	
		2022-2023	2021-2022
	b) Rent paid for Office Space		
	- Harvin Estate Pvt. Ltd.	6.00	6.00
	c) Rent for Residential Accommodation		
	- Harvin Estate Pvt. Ltd.	6.00	6.00
	d) Contribution made for charitable purpose (Included in CSR Activities)		
	- BMG Foundation	21.68	13.54
(vii)	Transactions with Key Management Personnel:		
	a) Short Term Employment Benefits		
	- Mr. H. M. Gupta	164.63	151.85
	- Mr. N. K. Khurana	63.09	60.66
	- Mr. R M Gupta	115.98	109.69
	b) Post-Employment Benefit		
	- Mr. H. M. Gupta	11.52	11.99
	- Mr. N. K. Khurana	16.87	17.61
	- Mr. R M Gupta	10.08	13.75
(viii)	Transactions with relatives of Key Management Personnel		
	a) Short Term Employment Benefits		
	- Mrs. Vinita Gupta	48.28	45.76
	- Ms. Samara Gupta	41.92	39.70
	b) Post-Employment Benefits		
	- Mrs. Vinita Gupta	4.32	5.82
	- Ms. Samara Gupta	3.69	4.97
(ix)	Transactions with Post Employment Benefit Plan - Contributions		
	a) Contribution to Rossell India Employees' Gratuity Fund as per Actuarial Valuation	443.53	-
	b) Contribution to Rossell Tea Superannuation Fund	48.01	41.06
	c) Balance payable to Rossell India Employees' Gratuity Fund	123.54	210.91
(x)	Transactions with Non-Executive Directors		
	Sitting Fees		
	Ms. Nayantara Palchoudhuri	7.25	6.45
	Mr. K Katyal	7.15	6.65
	Mr. A Shukla	-	4.50
	Mr. R Bhatnagar	6.65	5.75
	Director's Commission		
	Ms. Nayantara Palchoudhuri	5.00	5.00
	Mr. K Katyal	5.00	5.00
	Mr. A Shukla	-	5.00
	Mr. R Bhatnagar	5.00	5.00



Notes to the Consolidated Financial Statements

₹ in Lakhs

44. Financial risk management objectives

The Parent's business activities expose it to certain financial risks - market risk, liquidity risk and credit risk. In order to minimize those risks, the Parent has risk management policies and procedures in place as approved by the Audit Committee of the Board of Directors of the Parent after due evaluation of key risks facing the business of the Company:

a) Market Risk

The Parent's business of Cultivation, Manufacture and Sale of Tea is primarily agricultural in nature. Moreover, the sale price of Tea is largely determined by the market forces of demand and supply. Thus, adverse weather conditions and uncertain tea market expose it to the risk that the fair value or future cash flows may adversely fluctuate. The Group closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to various market risks. Other Market risks are as under:

i. Foreign Currency Risk

The Parent undertakes significant transactions denominated in foreign currency with its customers in relation to Exports by Rossell Tea Division and 100% EOU of Rossell Techsys Division. This results in wide exposure to exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognized assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro and British Pound Sterling etc.

The Parent, as Risk Management Policy, hedges its exposure in foreign exchange whenever considered appropriate based on their perception about such market and reviews periodically its exposure therein to ensure that results from fluctuating currency exchange rate are appropriately managed.

The exposure to foreign currency as on 31st March, 2023 and 31st March, 2022 is given as under:

₹ in Lakhs

Particulars	As at 31st March, 2023				As at 31st March, 2022			
	USD	EURO	GBP	CHF	USD	EURO	GBP	CHF
Financial Assets								
Investments in Equity/ Preference Instruments	33.64	-	-	-	33.64	-	-	-
Trade Receivables	55.93	0.04	-	-	40.43	1.12	-	-
Total Financial Assets (A)	89.57	0.04	-	-	74.07	1.12	-	-
Financial Liabilities								
Borrowings	-	-	-	-	38.06	-	-	-
Trade Payables	21.93	0.22	0.17	-	23.94	0.16	0.02	0.09
Total Financial Liabilities (B)	21.93	0.22	0.17	-	62.00	0.16	0.02	0.09
Net Exposure in Foreign Currency (A-B)	67.64	(0.18)	(0.17)	-	12.07	0.96	(0.02)	(0.09)

The impact of sensitivity analysis (10% appreciation / depreciation of the foreign currency with respect to functional currency) arising on account of above outstanding foreign currency denominated assets and liabilities would be ₹ 461.00 Lakhs (31st March, 2022 – ₹ 28.37 Lakhs).

ii. Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Parent's interest rate risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimize counter party risks.

The Parent is exposed to interest rate volatilities primarily with respect to its borrowings from banks. Such volatilities primarily arise due to changes in the Lending rates of Banks, which in turn are linked with Repo Rates as announced by RBI from time to time as well as other economic parameters of the Country. The Parent manages such risk by operating with Banks having strong fundamentals with comparatively lower Lending Rates in the Market.

Interest rate sensitivity

Since the significant amount of borrowings of the Parent are short term in nature, the possible volatility in the interest rate is minimal.



Notes to the Consolidated Financial Statements

b) Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulty, including seasonality, in meeting its obligations due to shortage of liquid assets.

The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle, ensuring optimal movements of its inventories and avoid blockage of working capital in non-productive current assets.

The remaining contractual maturities of significant financial liabilities payable within one year (other than borrowings from the Banks) as at 31st March, 2023 and 31st March, 2022 are as under:

Particulars	₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Trade Payables	2,773.25	2,349.09
Other Financial Liabilities	212.50	173.27
Other Current Liabilities	3,138.32	1,971.30
Total	6,124.07	4,493.66

c) Credit Risk

Credit risk is the risk that counter party will not meet its obligations leading to a financial loss to the Group.

The Subsidiary exposure is limited to its parent. The Parent has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's based on which, the terms of payment are decided. Credit limits are set for each customer which are reviewed at periodic intervals. The credit risk of the Group is low as the Group sells a significant volume of its Teas through the auction system which is on cash and carry basis. The exports are made mostly to worldwide reputed Corporates like Boeing, Lockheed Martin, Taylors of Harrogate etc., and otherwise backed by letter or credit or on advance basis.

There is no expected credit risk on Trade Receivables as on 31st March, 2023 (Note 15).

45. Financial Instruments by category

₹ in Lakhs

Particulars	As at 31st March, 2023				
	FVTPL	FVOCI	Amortized Cost	Total Carrying Value	Total Fair value
Financial Assets					
(i) Investments	1,525.54	1,847.99	-	3,373.53	3,373.53
(ii) Trade Receivables	-	-	4,778.01	4,778.01	4,778.01
(iii) Cash and Cash Equivalents	-	-	113.11	113.11	113.11
(iv) Other Bank Balances	-	-	5.57	5.57	5.57
(v) Loans	-	-	12.36	12.36	12.36
(vi) Other Financial Assets	-	-	382.09	382.09	382.09
Total financial assets	1,525.54	1,847.99	5,291.14	8,664.67	8,664.67
Financial liabilities					
(i) Borrowings	-	-	16,161.35	16,161.35	16,161.35
(ii) Trade payables	-	-	2,773.25	2,773.25	2,773.25
(iii) Other financial liabilities	-	-	212.50	212.50	212.50
Total financial liabilities	-	-	19,147.10	19,147.10	19,147.10



Notes to the Consolidated Financial Statements

₹ in Lakhs

Particulars	As at 31st March, 2022				
	FVTPL	FVOCI	Amortized Cost	Total Carrying Value	Total Fair value
Financial Assets					
(i) Investments	-	1,847.99	-	1,847.99	1,847.99
(ii) Trade Receivables	-	-	3,314.39	3,314.39	3,314.39
(iii) Cash and Cash Equivalents	-	-	191.70	191.70	191.70
(iv) Other Bank Balances	-	-	7.15	7.15	7.15
(v) Loans	-	-	12.41	12.41	12.41
(vi) Other Financial Assets	-	-	560.96	560.96	560.96
Total financial assets	-	1,847.99	4,086.61	5,934.60	5,934.60
Financial liabilities					
(i) Borrowings	-	-	15,345.34	15,345.34	15,345.34
(ii) Trade payables	-	-	2,349.09	2,349.09	2,349.09
(iii) Other financial liabilities	-	-	173.27	173.27	173.27
Total financial liabilities	-	-	17,867.70	17,867.70	17,867.70

45. Fair Value measurements

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on the reporting date.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

₹ in Lakhs

1. Financial assets and liabilities measured at fair value on a recurring basis	Fair Value Hierarchy (Level)	As at 31st March, 2023	As at 31st March, 2022
Financial Assets (A)			
Investment in Units of Mutual Funds measured at FVTPL	Level 2	1,525.54	-
Investment in Equity Instruments measured at FVTOCI	Level 2	1,847.99	1,847.99
Total	-	3,373.53	1,847.99
Financial Liabilities (B)			
Net (A) – (B)	-	3,373.53	1,847.99

**Notes to the Consolidated Financial Statements**

₹ in Lakhs

2. Biological Assets other than Bearer Plants measured at Fair Value			
Unharvested Green Tea leaves	Level 3	67.06	110.45
Agricultural Produce			
- Green Leaf	Level 2	21.71	37.49
- Black Pepper	Level 2	32.49	1.27
Total		121.26	149.21
Grand Total (1 + 2)		3,494.79	1,997.20

47. Statement of Net Assets and Profit or Loss attributable to Owners and Non-Controlling Interest

Name of the entity	2022-23							
	Net Assets		Share in Net Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount	As a % of Consolidated Net Assets	Amount	As a % of consolidated Net Profit / (Loss)	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income
Holding Company								
Rossell India Limited	28,667.10	99.86	2,737.04	98.99	(132.81)	91.69	2,604.23	99.40
Subsidiary								
Foreign								
Rossell Techsys Inc.	56.98	0.20	45.61	1.65	-	-	45.61	1.74
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(12.04)	8.31	(12.04)	(0.46)
Indian								
Rossell Techsys Limited	(17.80)	(0.06)	(17.80)	(0.64)	-	-	(17.80)	(0.68)
Total	28,706.28	100.00	2,764.85	100.00	(144.85)	100.00	2,620.00	100.00



Notes to the Consolidated Financial Statements

₹ in Lakhs

Name of the entity	2021-22							
	Net Assets		Share in Net Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount	As a % of Consolidated Net Assets	Amount	As a % of consolidated Net Profit / (Loss)	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income
Holding Company								
Rossell India Limited	24,612.96	99.90	2,976.27	99.17	151.99	100.99	3,128.26	99.26
Subsidiary								
Foreign								
Rossell Techsys Inc.	23.41	0.10	24.90	0.83	-	-	24.90	0.79
Exchange differences on translation of financial statements of foreign operations	-	-	-	-	(1.49)	(0.99)	(1.49)	(0.05)
Total	24,636.37	100.00	3,001.17	100.00	150.50	100.00	3,151.67	100.00

48. Business Restructuring

The Board of Directors of the Company at their Meeting held on 12th July, 2022 approved the Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 ('the Scheme'). The Appointed Date set out in the Scheme is 1st July, 2022 or such other date as the Hon'ble National Company Law Tribunal ("NCLT") or any other competent authority may approve. The Stock Exchanges have recently issued their No Objection/ Observation Letters for this Scheme and the required application to NCLT is in the process of being filed. The Scheme shall be effective post receipt of necessary approvals by shareholders and creditors of the Companies, NCLT and such other statutory and regulatory approvals as may be required.

The Board of Directors of the Company at their Meeting held on 16th December, 2022 approved the Scheme of Arrangement between Rossell India Limited ("the Demerged Company") and Rossell Techsys Limited ("the Resulting Company") and their respective shareholders under the provisions of Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 involving demerger of Rossell Techsys Division from the Demerged Company into the Resulting Company and cancellation and reduction of existing share capital of Resulting Company. The Appointed Date set out in the Scheme is 1st April, 2023 or such other date as the Hon'ble National Company Law Tribunal ("NCLT") or any other competent authority may approve. The Stock Exchanges have recently issued their No Objection/ Observation Letters for this Scheme and the required application to NCLT is in the process of being filed. The Scheme shall be effective post receipt of necessary approvals by shareholders and creditors of the Companies, NCLT and such other statutory and regulatory approvals as may be required.

49. Preferential Allotment of Shares

- 49.1 The Board of Directors of the Parent by adopting a Resolution by Circulation on 27th June, 2022 allotted 10,00,000 0.01% Compulsorily Convertible Preference Shares (CCPS) (Instruments entirely Equity in nature) of ₹ 10 each at an issue price of ₹ 156 per CCPS including Securities Premium of ₹ 146 per CCPS aggregating to ₹ 1,560 Lakhs on preferential basis (for cash consideration) after obtaining the required regulatory approvals to BMG Enterprises Ltd., the Holding Company. (Allottee)
- 49.2 Subsequently, the Board of Directors of the Parent at its Meeting held on 16th December, 2022 approved the conversion of aforesaid



Notes to the Consolidated Financial Statements

CCPS of Rs.10 each into 10,00,000 Equity Shares of ₹ 2 each pursuant to the option exercised by the Allottee as per the Terms of the Preferential Issue. The difference in face value of ₹ 8 per Share aggregating to ₹ 80 Lakhs was treated as further Securities Premium received on such issue and allotment of Equity Shares.

- 49.3 The funds raised from the issue and allotment of the said CCPS have been fully utilised for meeting long term fund requirements and other general corporate purposes of the Company.
50. In terms of Guidelines Note on Audit of Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, General Circular No. 39/2014 dated 14th October, 2014 issued by the Ministry of Corporate Affairs and provisions of Indian Accounting Standard Ind AS 110, only those disclosures are given as are relevant to these Consolidated Financial Statement to give a true and fair view thereof.

In terms of our Report of even date

For **Khandelwal Ray & Co.,**
Chartered Accountants
Registration No. 302035E

H. M. Gupta
Executive Chairman
DIN: 00065973
Place: Delhi

Rahul Bhatnagar
Director
DIN: 07268064
Place: Noida, UP

Pinaki Sarkar
Partner
Membership No.051449

N. K. Khurana
Director (Finance) and
Company Secretary
M. No.: FCS 2173
Place: Kolkata
Date: 27th May, 2023

Place: Kolkata
Date: 27th May, 2023

Independent Auditor's Report

To The Members of BMG Enterprises Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **BMG Enterprises Limited** ("the Company"), which comprise the balance sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the **Profit** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Board's Report, but does not include the standalone financial statements and our auditor's report thereon. The Board's Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating



effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:



- I. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- II. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- III. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- IV. In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- V. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- VI. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- VII. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) On the basis of written representations received from the management of the Company, the Company has disclosed the impact of pending litigations on its financial position in its financial statements- **Refer Note No. 14.1** to the financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d)
 - i. The Management has represented that, to the best of its knowledge and belief, as disclosed in the **Note 31** to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the **Note 31** to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - iii. Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) & (ii) above, contain any material misstatement.
 - e)
 - i. The Company neither declared nor paid any final dividend during the year.



- ii. The Board of Directors of the Company have not proposed any final dividend for the year which requires the approval of the members at the ensuing Annual General Meeting.
- f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, accordingly reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
3. With respect to the matter to be included in the Auditors' report under Section 197(16) :
In our opinion and according to the information and explanation given to us, the Company has not paid or provided any managerial remuneration to any director during the year.

For S.R. Dinodia & Co. LLP.

Chartered Accountants,

Firm Registration Number 001478N/N500005



(Sandeep Dinodia)

Partner

Membership Number 083689

UDIN: 23083689 B6W0EB 2050

Place of Signature: New Delhi

Date: 14 JUL 2023

Annexure 'A' to the Independent Auditors' Report of even date on the standalone financial statements of BMG Enterprises Limited

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023, we report that:

- i)
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
 - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) On the basis of information and explanations provided by the Management, title deed of immovable property is held in the name of the Company.
 - d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
 - e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- ii)
- a) According to the information and explanations given to us, the Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.
 - b) According to the information and explanations given to us and the records examined by us, during the year, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii)(b) of the Order are not applicable.
- iii)
- a) According to the information and explanations given to us, since the company is a Non-Banking Financial company (NBFC). Accordingly, the provisions of Clause 3(iii)(a) are not applicable.
 - b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in nature of loans and guarantees provided are not prejudicial to the company's interest.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
 - d) According to the information and explanations given to us and based on the audit procedures performed by us, there is no overdue amount for more than 90 days in respect of loans given.
 - e) According to the information and explanations given to us, since the company is a Non-Banking Financial company (NBFC). Accordingly, the provisions of Clause 3(iii)(e) are not applicable
 - f) According to the information and explanations given to us and based on the audit procedures performed by us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except as follows:



(Amount in ₹ lakhs)

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans	12.00		12.00
- Repayable on Demand(A)		Nil	
Agreement does not specify any terms or period of repayment (B)	Nil	Nil	Nil
Total (A+B)	12.00	Nil	12.00
Percentage of loans/advances in nature of loans to the total loans	100%	Nil	100%

- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 (as amended from time to time) to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) Order are not applicable.
- vii) In respect to statutory dues:
- a) The Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, and any other material statutory dues applicable to it with the appropriate authorities. Further there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues in respect of statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute *except the following*, which have not been deposited on account of dispute:

Name of the Statute	Nature of Dues	Amount (₹)	Period to which amount relates (A.Y.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	89,16,800	2001-02	Assessing Officer
Income Tax Act, 1961	Income Tax	2,538	2001-02	CPC
Income Tax Act, 1961	Income Tax	7,20,061	2006-07	Assessing Officer
Income Tax Act, 1961	Income Tax	16,770	2011-12	ITAT Appeals
Income Tax Act, 1961	Income Tax	1,110	2015-16	CPC

- viii) According to the information and explanations given to us and the records examined by us, there are no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.



- ix)
- a) In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable.
 - b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has neither taken/repaid any term loans during the year covered by our audit.
 - d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
 - e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
 - f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.
- x)
- a) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
 - b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable.
- xi)
- a) As per the information and explanations given to us on our enquire on this behalf, there were no frauds on or by the Company which have not been noticed or reported during the year.
 - b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of Companies Act, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards. Further, in pursuance of Section 177, as the Company is exempt from the requirements of forming an Audit Committee, the provisions of Section 177 are not applicable.
- xiv) The Company is not required to have an internal audit system u/s 138 of the Companies Act, 2013. Accordingly the provisions of the clause 3 (xiv) (a) & (b) of the order are not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the Order are not applicable.



- xvi)
- a) During the financial year 2019-20, the Company had satisfied 50-50 test, as prescribed by the RBI press release 1998-99/1269 dated April 8, 1999 read with Notification DNBS (PD) C.C. No. 81 / 03.05.002 / 2006-2007 dated October 19, 2006. Accordingly the Company is a Non-Banking Financial Company (NBFC). However, however the Company has availed exemption from registration as CIC from RBI vide RBI letter no. S-563/04.05.999/2021-22 dated January 24, 2022.
 - b) Since the Company is not required to obtain certificate of registration (CoR), hence provisions of clause 3 (xvi) (b) of the order are not applicable.
 - c) According to the information and explanations given to us, the Company is a unregistered Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and it continue to meet all the criteria as defined in the RBI letter of exemption during the period of audit.
 - d) According to the information and explanations given to us, the Group doesn't have more than 1 CIC in the Group. Accordingly, provisions of clause 3 (xvi) (d) of the order are not applicable.
- xvii) According to the information and explanations given to us, the Company has neither incurred any cash losses in the financial nor in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) The Company is not required to spent any expenditure by way of corporate social responsibilities u/s 135 of the Companies Act, 2013. Accordingly the provisions of the clause 3 (xx) (a) & (b) of the order are not applicable to the Company.

For S.R Dinodia & Co. LLP
Chartered Accountants,
Firm's Registration Number N500005


(Sandeep Dinodia)
Partner
Membership Number 083689
UDIN 23083689 BUW0EB 2850



Place of Signature: New Delhi
Date: 14 JUL 2023

Annexure 'B' to the Independent Auditors' Report of even date on the Ind AS standalone financial statement of BMG Enterprises Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of BMG Enterprises Limited ("**the Company**") as of March 31, 2023 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS standalone financial statements.



Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on "the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Dinodia & Co. LLP,
Chartered Accountants,
Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number 083689

UDIN: 23083689 B0W0EB 2850

Place of Signature: New Delhi

Date: 14 JUL 2023



BMG Enterprises Limited

Standalone Balance Sheet as at March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Particulars	Note No	As At March 31, 2023	As At March 31, 2022
I. Assets			
(1) Financial Assets			
(a) Cash and cash equivalents	4	12.08	2.33
(b) Other bank balance		-	-
(c) Loans		-	-
(d) Investments	5	3,659.67	2,699.52
(e) Other financial assets	6	2.98	3.05
		3,674.73	2,704.90
(2) Non-Financial Assets			
(a) Current Tax asset (net)	7	38.42	32.29
(b) Deferred tax asset (net)	8	40.18	3.43
(c) Investment Property	9	-	4.03
(d) Property, Plant and Equipment	10	0.32	10.70
(e) Other Intangible Assets	11	-	-
(f) Other non-financial assets	12	8.80	6.77
		87.72	57.22
Total Assets		3,762.45	2,762.12
II. Liabilities and Equity			
Liabilities			
(1) Financial Liabilities			
(a) Payables			
Trade payables	13		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		14.87	1.83
		14.87	1.83
(2) Non-Financial Liabilities			
(a) Current Tax Liabilities (net)	14	-	0.31
(b) Other non-financial liabilities	15	0.15	0.54
		0.15	0.85
(3) Equity			
(a) Equity share capital	16	92.33	92.33
(b) Other equity	17	3,655.10	2,667.11
		3,747.43	2,759.44
Total Liabilities and Equity		3,762.45	2,762.12
Summary of Significant Accounting Policies	3		

The accompanying notes form an integral part of these financial statements

As per our Report of even date attached

For S.R. Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number 083689



(Harsh Mohan Gupta)

Managing Director

DIN-00065973

(Vinita Gupta)

Director

DIN-00065994

Place of Signature: New Delhi

Date:

14 JUL 2023

BMG Enterprises Limited**Statement of profit and loss for year ended March 31, 2023**

(Amount in ₹ lakh 'unless otherwise stated')

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from Operations			
Interest Income	18	2.88	14.56
Dividend Income		71.29	71.29
Rental Income		-	12.00
Short term capital gain on sale of units of Mutual Fund		9.38	13.39
Long term capital gain on sale of units of Mutual Fund		108.17	-
Fair value gain on investment on mutual fund designated at FVTPL		6.30	11.91
II Other Income		198.02	123.15
Excess Liability Written back		-	1.55
Profit on Sale of Investment Property		1,095.97	-
		1,095.97	1.55
III Total Income		1,293.99	124.70
III Expenses			
Finance costs	19	0.30	0.16
Employee benefits expense	20	0.41	0.01
Depreciation and amortization expense	21	0.01	1.82
Other expenses	22	55.23	7.37
Total expenses		55.95	9.36
IV Profit/(Loss) before tax (V-VI)		1,238.04	115.34
V Tax expense:			
(a) Current tax		286.80	24.23
(b) Deferred tax charge/(release)		(36.76)	3.11
(c) Income tax adjustment of earlier year		-	-
Total tax expense		250.05	27.34
VI Profit for the year (VII-VIII)		987.99	88.00
VII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
(a) Re-measurement gains/ (losses) on defined benefit plans		-	-
(ii) Income tax on items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of tax (A(i-ii))		-	-
VIII Total comprehensive income for the year,		987.99	88.00
IX Earnings per share: (Face value ₹ 10 per share)	24		
1) Basic (amount in ₹)		1,070.04	95.30
2) Diluted (amount in ₹)		1,070.04	95.30

Summary of Significant Accounting Policies 3

The accompanying notes form an integral part of these financial statements

As per our Report of even date attached

For S.R. Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number: 001478N/N500005



(Sandeep Dinodia)

Partner

Membership Number 083689

Place of Signature: New Delhi

Date: 14 JUL 2023

For & on behalf of Board of Directors of
BMG Enterprises Limited


(Harsh Mohan Gupta)
Managing Director
DIN-00065973



(Vinita Gupta)
Director
DIN-00065994

BMG Enterprises Limited**Cash Flow Statement for the year ended March 31, 2023**

(Amount in ₹ Lakhs unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before tax	1,238.04	115.34
Adjustments for:		
Depreciation and amortization	0.01	1.82
Finance cost	0.30	0.16
Interest income	(2.88)	(14.56)
Dividend income	(71.29)	(71.29)
Rental income	-	(12.00)
Profit on Sale of Fixed Assets	(1,095.97)	-
Gain from sale of investment	(117.54)	(13.39)
Fair value gain on investment on mutual fund designated at FVTPL	(6.30)	(11.91)
Operating profit / (loss) before adjustments	(55.64)	(5.83)
Adjustments for:		
Decrease/(increase) in other financial assets	0.07	-
Decrease/(increase) in other bank balance	-	0.16
Increase in trade payables	13.04	(0.34)
Increase in other liabilities	(0.39)	(1.35)
Decrease/(increase) in other non financial assets	(2.03)	0.16
Cash generated from operating activities	(44.94)	(7.21)
Taxes (paid) / refund	(293.25)	(24.06)
Net cash from operating activities - (A)	(338.19)	(31.27)
B CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/Decrease of investments (net)	(836.31)	(947.07)
Proceeds from sale of property, plant and equipment	1,110.37	2.50
Interest received	2.88	14.56
Dividend received	71.29	71.29
Gain from sale of investment	-	13.39
Rental Income	-	12.00
Net cash used in investing activities - (B)	348.23	(833.33)
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost paid	(0.30)	(0.01)
Loan given to related party	-	(198.00)
Loan repaid by related party	-	1,038.00
Net cash from financing activities - (C)	(0.30)	839.99
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	9.75	(24.61)
Cash and cash equivalents at the beginning of the year	2.33	26.94
Cash and cash equivalents at the end of the year	12.08	2.33
Components of cash and cash equivalents		
With banks - on current account and deposits with banks	11.81	1.08
Cash on hand	0.27	1.25
Total cash and cash equivalents	12.08	2.33

- Notes:**
- The above cash flow statement has been prepared under the indirect method as set out in the Ind AS-7-"Statement of cash flow"
 - Cash and cash equivalents consist of cash in hand and balances with scheduled banks in current accounts or deposits with original maturity of three months or less (refer note 4).

As per our report of even date attached

For S.R. Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number: 001478N/N500005


(Sandeep Dinodia)
Partner

Membership Number 083689



**For and on behalf of the Board of Directors of
BMG Enterprises Limited**


(Harsh Mohan Gupta)
Managing Director

DIN-00065973



(Vinita Gupta)

Director
DIN-00065994

Place of Signature: New Delhi

Date: 14 JUL 2023

BMG Enterprises Limited

Statement of changes in equity for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

A. Equity Share Capital	Amount
Balance as at April 01, 2021	92.33
Changes during the year	-
Balance as at March 31, 2022	92.33
Changes during the period	-
Balance as at March 31, 2023	92.33

B. Other Equity

Particulars	Reserve & Surplus		Total
	General Reserve	Retained earnings	
As at April 01, 2021	938.77	1,640.34	2,579.11
Profit for the year	-	88.00	88.00
Add: Other comprehensive income *	-	-	-
Balance as at March 31, 2022	938.77	1,728.34	2,667.11
Profit for the year	-	987.99	987.99
Add: Other comprehensive income *	-	-	-
Balance as at March 31, 2023	938.77	2,716.33	3,655.10

* Represents Re-measurement of defined benefit plans (net)

Summary of Significant Accounting Policies

3

The accompanying notes form an integral part of these financial statements

As per our Report of even date attached

For S.R. Dinodia & Co. LLP.

Chartered Accountants

Firm's Registration Number: 001478N/N500005

(Sandeep Dinodia)

Partner

Membership Number 083689



For & on behalf of Board of Directors of
BMG Enterprises Limited

(Harsh Mohan Gupta)

Managing Director

DIN-00065973

(Vinita Gupta)

Director

DIN-00065994

Place of Signature: New Delhi

Date: 14 JUL 2023

BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

Note 1: Corporate Information

M/s BMG Enterprises Limited is a public company domiciled in India and incorporated on 6th June, 1978 under the provisions of Companies Act, 1956. The company is engaged in the business of providing consultancy in the field of aviation and also to carry on the business as an investment company.

The Company is a Non-Banking Financial Company (NBFC) & satisfying the eligibility criteria for status of Core Investment Company (CIC), however the company has availed exemption as CIC from RBI vide RBI letter no. S-563/04.05.999/2021-22 dated January 24, 2022.

Note 2: Basis of preparation of Financial statements

2.1 Statement of Compliance:

The financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act

The financial statements were authorized for issue by the Company's Board of Directors on _____.

2.2 Basis of preparation and presentation:

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial assets and liabilities and net defined benefits (assets)/liability which are measured at fair value and fair value of the plan assets less present value of defined benefits obligations respectively at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

2.3 Going concern:

The board of directors have considered the financial position of the Company at March, 31 2023 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course. The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.

2.4 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are as below. The effective date for adoption of this amendment are from annual periods beginning on or after April 01, 2023:

- Amendment to Ind AS 1- Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies information rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

- Amendment to Ind AS 8- Accounting Policies, Change in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its financial statements.

- Amendment to Ind AS 12- Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on its financial statement.

2.5 Use of estimates and judgements:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements:

- useful life of Property, plant and equipment
- useful life of Intangible assets
- provisions and contingent liabilities
- income taxes

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ending March 31, 2023:

- measurement of defined benefit obligations: key actuarial assumptions
- recognition and measurement of provision for litigations and contingent liabilities: key assumptions about the likelihood and magnitude of an outflow of resources

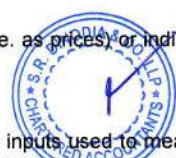
2.6 Measurement of fair values:

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. The directors are responsible for overseeing all significant fair value measurements, including Level 3 fair values. directors regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

2.7 Operating cycle:

All assets and liabilities have been classified as current or noncurrent according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

2.8 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle.
 - b) Held primarily for the purpose of trading
 - c) Expected to be realised within twelve months after the reporting period, or
 - d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

Liabilities:

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
 - (b) It is held primarily for the purpose of trading
 - (c) It is due to be settled within twelve months after the reporting period, or
 - (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Note 3: Summary of Significant accounting policies

3.1 Revenue recognition and presentation:

Revenue from contract with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding the amount collected on behalf of third parties (for example, taxes and duties collected on behalf of government) and net of returns & discounts. The company has concluded that it is acting as principal in its revenue arrangements.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of services, the Company considers the effect of variable consideration, the existence of significant financing component, non-cash consideration, and consideration payable to the customer (if any).

Income from Services

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Interest Income and Dividend

- a) In respect of interest income, revenue is recognised on the time proportion basis, taking into account the amount outstanding and the rate of interest applicable.
- b) Dividend Income is recognized when the right to receive is established.

3.2 Recognition of interest expense:

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

3.3 Property, Plant and Equipment (PPE):

Items of PPE are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 01, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

Depreciation: Depreciation is provided using the written down value based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 and after retaining the residual value upto 5% of the original cost of the asset in the said Schedule. On assets sold, discarded, etc. during the year, depreciation is provided upto the date of sale/discard.

The residual value and useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

Assets purchased during the year costing ₹ 5,000 or less are depreciated at the rate of 100%

3.4 Intangible assets:

Intangible assets comprise of computer software (which does not form an integral part of related hardware). Computer software which is acquired separately, is recognized initially at cost. Following initial recognition principle, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets under development include cost of assets under installation/under development as at the balance sheet date.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Transition to Ind AS: On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognized as at April 01, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation method and useful lives: Intangible assets are amortized on a straight line basis over the estimated life from the date of capitalisation.

3.5 Borrowing costs:

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation.

3.6 Foreign currencies:

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate prevailing on the date when the transaction first qualifies for recognition. Exchange differences arising on foreign currency transactions settled during the year are recognised in profit or loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences on restatement/settlement of all monetary items are recognised in profit or loss.

3.7 Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.



In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as Lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

3.8 Employee Benefits:**Short Term Employee Benefits**

All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences, bonus and ex-gratia etc. are recognised in statement of profit and loss in the period in which the employee renders the related service.

A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably. If the amount already paid exceeds the undiscounted amount of the benefits, the Company recognises that excess as an asset /prepaid expense to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

Post-Employment Benefits**Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts.

Retirement benefits in the form of Provident Fund and employee state insurance are a defined contribution scheme and contributions paid/payable towards these funds are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plan

The Company has Defined benefits plans namely Gratuity for employees.

The liability recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

3.9 Provisions, Contingent liabilities and contingent assets:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

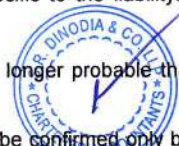
Litigations: Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



Contingent assets are disclosed when there is a possible asset that arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

3.10 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial asset and financial liabilities are initially measured at fair value. Transaction cost which are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

(a) Financial Assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test : the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test : the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:

- business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- cash flow characteristic test : the contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Investments in equity instrument at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instrument. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Equity investment in a subsidiary

Investments representing equity interest in a subsidiary which is carried at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortised cost criteria or fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognising the gains or losses on them on different bases.

Investments in mutual funds are measured at fair value through profit and loss. Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Trade receivables**Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following :

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit loss are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).



For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Foreign exchange gains and losses:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost or fair value through profit or loss the exchange differences are recognised in profit or loss except for those which are designated as hedge instrument in a hedging relationship.

Further change in the carrying amount of investments in equity instruments at fair value through other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

(b) Financial liabilities and equity instruments**Classification of debt or equity**

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of borrowings using the effective rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Foreign exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the exchange rate at the end of the reporting period. For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

3.11 Taxes:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternative Tax

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

In accordance with Ind AS 12 Company is grouping MAT credit entitlement with Deferred Tax Assets / Liability (Net)

3.12 Impairment of tangible and intangible assets:

At the end of each reporting period, the Company reviews the carrying amounts of its Property, Plant and Equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3.13 Operating segment:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's directors to make decisions about resources to be allocated to the segments and assess their performance.

The operations of the Company falls under consultancy services, which is considered to be the only reportable segment by the directors.

3.14 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.15 Dividends:

Final dividends on shares are recorded on the date of approval by the shareholders of the Company.

3.16 Earnings per share (EPS):

Basic earnings per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 4 : Cash and cash equivalents

	As March 31, 2023	At March 31, 2022
Balances with banks:		
- on current account	11.81	1.08
Cash on hand	0.27	1.25
	12.08	2.33



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 5 : Investments	As At March 31, 2023					As At March 31, 2022						
	Measured At			Designated at FVTPL	Others	Total	Measured At			Designated at FVTPL	Others	Total
	Amortised cost	FVTOC	FVTPL				Amortised cost	FVTOC	FVTPL			
Investments in mutual funds												
Nil(March 31, 2022: 181375.11) units of ₹ 10 each ICICI Pru Equity Arbitrage Fund -Reg (G)	-	-	-	-	-	-	-	50.48	-	-	-	50.48
Nil (March 31, 2022: 167317.005) units of ₹ 10 each Kotak Equity Arbitrage Fund- Growth - Reg. Plan	-	-	-	-	-	-	-	50.55	-	-	-	50.55
7122.540 (March 31, 2022: Nil) units of ₹ 10 each Kotak Low Duration Fund- Growth	-	-	203.42	-	-	203.42	-	-	-	-	-	-
9030.332 (March 31, 2022: Nil) units of ₹ 10 each Aditya Birla Low Duration Fund- Growth	-	-	-	-	-	-	-	-	-	-	-	-
Nil (March 31, 2022: 233498.971) units of ₹ 10 each Nippon India Arbitrage Fund -Growth Plan	-	-	-	-	-	-	-	50.52	-	-	-	50.52
311952.925 (March 31, 2022: 2406016.95) units of ₹ 10 each SBI Savings Fund Growth - (Regular Plan)	-	-	110.46	-	-	110.46	-	810.65	-	-	-	810.65
Investments in debt securities												
250 (March 31, 2022: 250) of ₹ 10,000 each NHA1 Capital Gain Bond 5.75%	25.00	-	-	-	-	25.00	25.00	-	-	-	-	25.00
250 (March 31, 2022: 250) of ₹ 10,000 each RECL Capital Gain Bond 5.75%	25.00	-	-	-	-	25.00	25.00	-	-	-	-	25.00
Investments in subsidiaries												
23731795 (March 31, 2022: 23763795) Equity Shares of ₹ 2/- each of Rossell India Limited	-	-	-	-	1,685.05	1,685.05	-	-	-	-	1,687.32	1,687.32
1000000 (March 31, 2022: Nil) 0.01% Compulsory Convertible Preference Shares of ₹ 10/- each of Rossell India Limited	-	-	-	-	1,560.00	1,560.00	-	-	-	-	-	-
	50.00	-	364.62	-	3,245.05	3,659.67	50.00	-	962.20	-	1,687.32	2,699.52
Note:												
Investments within India	50.00	-	364.62	-	3,245.05	3,659.67	50.00	-	962.20	-	1,687.32	2,699.52
Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated')

Note 6: Other financial assets

(Unsecured and considered good, unless otherwise stated)

	As March 31, 2023	At March 31, 2022
Security Deposits (refer note below)	0.46	0.53
Interest Receivables	2.52	2.52
	2.98	3.05

Note:

Security deposits are not in the nature of loans hence classified as part of other financial assets.

	As March 31, 2023	At March 31, 2022
Advance Income Tax (Net of provision of ₹756.16 Lakhs (March 31, 2022 : ₹ 444.75 Lakhs))	38.42	32.29
	38.42	32.29



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 8: Deferred tax balances

The following is the analysis of deferred tax assets / (liabilities) presented in the standalone balance sheet

	As March 31, 2023	At March 31, 2022
Deferred tax assets	42.33	6.48
Deferred tax liabilities	2.15	3.05
Net deferred tax assets	40.18	3.43

For the year ended March 31, 2022

	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing Balance
Deferred tax assets				
Property, plant and equipment and Intangible assets	6.25	0.18	-	6.44
Deduction allowed on payment basis	0.35	(0.31)	-	0.04
Total deferred tax assets	6.61	(0.13)	-	6.48
Deferred tax liabilities				
Investment in mutual funds at FVTPL	0.07	2.98	-	3.05
Total deferred tax liabilities	0.07	2.98	-	3.05
Net deferred tax assets	6.54	(3.11)	-	3.43

For the year ended March 31, 2023

	Opening balance	Recognised in Profit or loss	Recognised in OCI	Closing Balance
Deferred tax assets				
Property, plant and equipment and Intangible assets	6.44	(3.17)	-	3.27
Deduction allowed on payment basis	0.04	(0.04)	-	-
Long term Capital Loss	-	39.06	-	39.06
Total deferred tax assets	6.48	35.85	-	42.33
Deferred tax liabilities				
Investment in mutual funds at FVTPL	3.05	(0.91)	-	2.15
Total deferred tax liabilities	3.05	(0.91)	-	2.15
Net deferred tax assets	3.43	36.76	-	40.18



Note: Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 9: Investment Property

Particulars	Building	Total
At March 31, 2021	17.08	17.08
Additions	-	-
Deductions/adjustments	-	-
At March 31, 2022	17.08	17.08
Additions	-	-
Deductions/adjustments	17.08	17.08
At March 31, 2023	-	-
Depreciation / Amortisation		
At March 31, 2021	12.01	12.01
For the year	1.04	1.04
Deductions/adjustments	-	-
At March 31, 2022	13.05	13.05
For the year	-	-
Deductions/adjustments	13.05	13.05
At March 31, 2023	-	-
Net Block	-	-
At March 31, 2023	-	-
At March 31, 2022	4.03	4.03

Note:

a) The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition.

b) The above building is situated at DCM building, Barakhambha Road, Delhi -110001 and the title deed of that building is in name of the company. Till Financial Year 2021-2022, the Building was rented out to Rossell India Limited from June, 2019 and the same has been classified as Investment Property as per Ind-AS 40. The company during April 2022 has sold the said building to Rossell India Limited, at a consideration of ₹ 1,100 lakh.

Note 10: Property, Plant & Equipment

Particulars	Furniture & Fittings	Vehicles	Office Equipments	Computers	Total
Deemed Cost					
At March 31, 2021	19.47	2.47	7.11	1.66	30.71
Additions	-	-	-	-	-
Deductions/adjustments	-	-	-	-	-
At March 31, 2022	19.47	2.47	7.11	1.66	30.71
Additions	-	-	-	-	-
Deductions/adjustments	19.47	2.05	7.11	1.66	30.28
At March 31, 2023	-	0.43	-	-	0.43
Depreciation / Amortisation					
At March 31, 2021	14.78	1.20	2.98	0.28	19.24
For the year	0.77	-	-	-	0.77
Deductions/adjustments	-	-	-	-	-
At March 31, 2022	15.55	1.20	2.98	0.28	20.01
For the year	0.01	-	-	-	0.01
Deductions/adjustments	15.56	1.09	2.98	0.28	19.91
At March 31, 2023	0.00	0.10	-	-	0.11
Net Block					
At March 31, 2023	(0.00)	0.32	-	-	0.32
At March 31, 2022	3.91	1.28	4.13	1.38	10.70



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 11: Other Intangible Assets

Particulars	Software	Total
Cost of Valuation		
At April 01, 2021	1.24	1.24
Additions	-	-
Deductions/adjustments	-	-
At March 31, 2022	1.24	1.24
Additions	-	-
Deductions/adjustments		
At March 31, 2023	1.24	1.24
Depreciation / Amortisation		
At April 01, 2021	1.24	1.24
For the year	-	-
Deductions/adjustments	-	-
At March 31, 2022	1.24	1.24
For the year	-	-
Deductions/adjustments		
At March 31, 2023	1.24	1.24
Net Block		
At March 31, 2023	-	-
At March 31, 2022	-	-



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BMG Enterprises Limited
Notes to financial statements for the year ended March 31, 2023
(Amount in ₹ Lakhs 'unless otherwise stated')

Note 12 : Other non-financial assets

(Unsecured and considered good, unless otherwise stated)

Investment in metals

Silver 63.40 kg (March 31, 2022: 63.40 kg)

Others

Balance with Government Authorities

Prepaid Expenses

As	At	As	At
March 31, 2023	March 31, 2022	March 31, 2022	March 31, 2022

	6.42		6.42
--	------	--	------

	2.38		-
--	------	--	---

	-		0.35
--	---	--	------

	8.80		6.77
--	-------------	--	-------------

Note 13 : Trade payables

- Total outstanding dues of micro enterprises and small enterprises

- Total outstanding dues of creditors other than micro enterprises and small enterprises

As	At	As	At
March 31, 2023	March 31, 2022	March 31, 2022	March 31, 2022

	-		-
--	---	--	---

	14.87		1.83
--	-------	--	------

	14.87		1.83
--	--------------	--	-------------

a) Trade payables are non-interest bearing and are normally settled on 30-day terms. The company's exposure to currency and liquidity risk related to trade payables is disclosed in note 31.

(b) As per Schedule III of Companies Act, 2013 & notification number GSR 719 (E) dated November 16, 2007, the amount due as at balance sheet date to micro and small enterprises as defined in Industries (Development and Regulation) Act, 1951, is as given below :

Details of dues to Micro and Small enterprises as defined under the MSMED Act, 2006

- Principal amount due

- Interest accrued and due on above

As	At	As	At
March 31, 2023	March 31, 2022	March 31, 2022	March 31, 2022

	-		-
--	---	--	---

	-		-
--	---	--	---

	-		-
--	---	--	---

(i) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year

	Nil		Nil
--	-----	--	-----

(ii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006

	Nil		Nil
--	-----	--	-----

(iii) The amount of interest accrued and remaining unpaid at the end of each accounting year

	Nil		Nil
--	-----	--	-----

(iv) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure

	Nil		Nil
--	-----	--	-----

The above information regarding micro enterprises and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	1.35	13.52	-	-	-	14.87
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	1.80	0.00	-	-	-	1.80
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	0.03	0.03

BMG Enterprises Limited**Notes to financial statements for the year ended March 31, 2023**

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 14 : Current Tax Liabilities (net)

	As March 31, 2023	At March 31, 2022
Provision for Income Tax (Net of Advance Tax of ₹Nil (March 31, 2022 : ₹ 24.37 Lakh)	-	0.31
Total	-	0.31

Note 14.1 Contingent Liabilities**(a) Claims against the company not acknowledged as debts**

	As March 31, 2023	At March 31, 2022
Disputed income tax matters (including penalty)	96.57	96.57
	96.57	96.57

(b) A civil suit of an ex- employee seeking Salary, Bonus & other dues is pending for settlement in Labour Court. No settlement could be effected as at balance sheet date since the case is pending adjudication as per law. During Financial year 2022-23, the company the paid a sum of ₹ 0.40 lakhs to Labour Fund, against the above-said dues and matter is closed.

(c) The Company has issued a Corporate Guarantee for an amount of ₹ Nil (March 31, 2022: ₹Nil) in favour of HDFC Bank Ltd. ("The Bank) against the amount borrowed by Rossell India Limited (a subsidiary company) from the bank.

Note:

(i) The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Note 15 : Other liabilities

	As March 31, 2023	At March 31, 2022
Statutory dues	0.15	0.54
Total	0.15	0.54



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 16 : Equity Share Capital

	As March 31, 2023	At March 31, 2022
Authorised Share Capital		
500000 (March 31, 2022: 500000) equity shares of ₹ 100 each*	500.00	500.00
Issued, subscribed and fully paid up		
92332 (March 31, 2022: 92332) equity shares of ₹ 100 each*	92.33	92.33
	92.33	92.33

a) Reconciliation of share capital:

	No. of shares*
Balance as at March 31, 2021	92332
Issue/buy back during the year	-
Balance as at March 31, 2022	92332
Issue/buy back during the year	-
Balance as at March, 2023	92332

b) Terms/ rights attached to equity shares:

(i) The company has only one class of equity shares having a par value of ₹ 100 per share. Each shareholder is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) During the period, the amount of per share dividend recognized as distributions to equity shareholders was ₹ Nil per share (March 31, 2022: ₹ Nil per share)

c) Details of shareholders holding more than 5% shares in the company

Name of Party	As at March 31, 2023		As at March 31, 2022	
	No. of shares*	Holding %	No. of shares*	Holding %
Mr. Harsh Mohan Gupta	48572	52.61%	48572	52.61%
Mrs. Vinita Gupta	11002	11.92%	11002	11.92%
Mr. Rishab Mohan Gupta	22002	23.83%	22002	23.83%
Harsh Mohan Gupta & Sons (HUF)	10734	11.63%	10734	11.63%

d) Shares held by Promoter at the end of the year

As at March 31, 2023

S. No.	Promoter Name	No. of shares*	% of Total Shares	% change during the year
1	Mr. Harsh Mohan Gupta	48572	52.61%	-
2	Mrs. Vinita Gupta	11002	11.92%	-
3	Mr. Rishab Mohan Gupta	22002	23.83%	-
4	Mr. Harsh Mohan Gupta & Son (HUF)	10734	11.63%	-
5	Miss. Samara Gupta	2	0.00%	-
6	BMG Investments Private Limited	10	0.01%	-
7	Harvin Estates Private Limited	10	0.01%	-
Total		92332	100%	-

As at March 31, 2022

S. No.	Promoter Name	No. of shares	% of Total Shares	% change during the year
1	Mr. Harsh Mohan Gupta	48572	52.61%	-
2	Mrs. Vinita Gupta	11002	11.92%	-
3	Mr. Rishab Mohan Gupta	22002	23.83%	-
4	Mr. Harsh Mohan Gupta & Son (HUF)	10734	11.63%	-
5	Miss. Samara Gupta	2	0.00%	-
6	BMG Investments Private Limited	10	0.01%	-
7	Harvin Estates Private Limited	10	0.01%	-
Total		92332	100%	-



* Number of Shares are given in absolute Numbers

BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

	As March 31, 2023	At March 31, 2022
Note 17: Other Equity		
General Reserve	938.77	938.77
Retained Earnings	2,716.33	1,728.34
	3,655.10	2,667.11

I. For Movement during the year in Other Equity, refer "Statement of Changes in Equity".

II. Nature and purpose of Other Reserves

a) General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

b) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. All the profits made by the Company are transferred to retained earnings from statement of profit and loss.



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

Note 18 : Other Income

	For the year ended March 31, 2023				For the year ended March 31, 2022			
	On financial assets measured at FVOCI	On financial assets measured at Amortised Cost	On financial assets measured at FVTPL	Total	On financial assets measured at FVOCI	On financial assets measured at Amortised Cost	On financial assets measured at FVTPL	Total
Interest on loans	-	-	-	-	-	11.68	-	11.68
Interest Income from CG Bonds	-	2.88	-	2.88	-	2.88	-	2.88
	-	2.88	-	2.88	-	14.55	-	14.56

Note 19 : Finance cost

	For the period ended March 31, 2023				For the year ended March 31, 2022			
	On financial assets measured at FVOCI	On financial assets measured at Amortised Cost	On financial assets measured at FVTPL	Total	On financial assets measured at FVOCI	On financial assets measured at Amortised Cost	On financial assets measured at FVTPL	Total
Interest on delay in deposit of TDS	-	0.07	-	-	-	0.01	-	0.01
Interest on delayed payment of Taxes	-	0.23	-	-	-	0.15	-	0.15
	-	0.30	-	-	-	0.16	-	0.16



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 20 : Employee benefits expense	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages & other benefits	-	-
Contribution to provident and other funds	0.01	0.01
Workman compensation Expense	0.40	-
	0.41	0.01

Note 21 : Depreciation and amortization expense	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	0.01	1.82
	0.01	1.82

Note 22 : Other expenses	For the year ended March 31, 2023	For the year ended March 31, 2022
Repair and maintenance- others	0.27	-
Insurance	0.16	0.36
Rates and taxes	6.43	2.67
Communication Expenses	0.01	0.14
Legal and professional fees	26.72	1.85
Merger Expenses	8.55	-
Payment to auditor (Refer details below)	2.25	2.00
Membership & Subscription	0.19	0.19
Loss on sale of PPE	9.68	-
Miscellaneous expenses	0.97	0.16
Total	55.23	7.37

a) Details of payment made to auditors is as follows:

As auditor:

- Statutory audit fee
- Tax audit fee

In Other Capacity:

- Other matter

	For the year ended March 31, 2023	For the year ended March 31, 2022
	1.50	2.00
	0.00	0.00
	0.00	0.00
	0.75	0.00
	2.25	2.00



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BMG Enterprises Limited
Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 23 : Income Tax

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are as below:

23.1 Income tax recognised in profit or loss

	As March 31, 2023	At March 31, 2022
Current tax		
a) In respect of current year	286.80	24.23
b) Adjustments in respect of current income tax of previous year	-	-
	286.80	24.23
Deferred tax		
In respect of current year	(36.76)	3.11
	(36.76)	3.11
Income tax expense recognised in the current year	250.05	27.34

The income tax expense for the year can be reconciled to the accounting profit as follows:

	As March 31, 2023	At March 31, 2022
Profit before tax	1,238.04	115.34
Tax at the Indian Tax Rate of 25.168% (March 31, 2022: 25.168%)	311.59	29.03
Deduction under Income Tax Act	-50.47	-0.70
Expenses not allowed for tax purpose	6.28	-
Adjustments to tax rate		
- Other	-17.36	-0.99
Tax expenses recognised in profit or loss	250.05	27.34



BMG Enterprises Limited
Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (March 31, 2022: 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.

23.2 Income tax recognised in other comprehensive income

	As March 31, 2023	At March 31, 2022
Deferred tax assets / (liabilities)		
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit obligation	-	-
Total tax recognised in other comprehensive income	-	-
Bifurcation of the income tax recognised in other comprehensive income into : -		
- Items that will not be reclassified to profit or loss	-	-
- Items that may be reclassified to profit or loss	-	-



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 24 : Earnings per share (EPS)	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to equity holders of the company used in calculating basic earnings per share and diluted earning per share (A)	987.99	88.00
Weighted average number of shares for the purpose of basic earning per share and diluted earning per share (numbers)* (B)	92332	92332
¹⁾ Basic earnings per share (in ₹) - (A/B)	1,070.04	95.30
Diluted earnings per share (in ₹) - (A/B)	1,070.04	95.30

* No. of shares are in absolute numbers



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BMG Enterprises Limited
Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 25 : Gratuity and other post-employment benefit plans

a) Defined contribution plans

The Company makes contribution towards Employees Provident Fund and Employee's State Insurance scheme. Under the rules of these schemes, the Company is required to contribute a specified percentage of payroll costs. The contributions are made to registered funds administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The company during the year recognised the following amount in the Statement of profit and loss account under company's contribution to defined contribution plan:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's Contribution to Provident Fund/ Pension Fund (Including Admin charges)	0.01	0.01
Employer's Contribution to Employee State Insurance	-	-
Total	0.01	0.01

The contribution payable to these schemes by the Company are at the rates specified in the rules of the schemes.

b) Defined benefit plans

In accordance with Ind AS 19 "Employee benefits", an actuarial valuation on the basis of "Projected Unit Credit Method" was carried out, through which the Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognizes each period of service as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation. However during the F.Y. 2022-23 & 2021-22, there are no employees in the Company, hence "Actuarial Valuation" is not applicable to the company for the said captioned year.

i) Gratuity scheme

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age/ date of leaving. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of services as giving rise to additional unit of employees benefit entitlement and measures each unit separately to built up the final obligation.

The above plan typically expose the company to actuarial risks such as: Investment risk, interest rate risk, longevity risk and salary risk.

Investment Risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest Risk

The plan expose the company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity Risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

c) The following tables summarize the components of net benefit expense recognised in the Statement of profit and loss and the amounts recognised in the balance sheet for the defined benefit plan (viz. gratuity).



BMG Enterprises Limited
Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

	As at March 31, 2023 Gratuity (Unfunded)	As at March 31, 2022 Gratuity (Unfunded)
Present value of obligation as at the beginning of the year	-	-
Add: Interest cost	-	-
Add: Current service cost	-	-
Less: Benefits paid	-	-
Add: Actuarial (gain) / loss	-	-
- Demographic assumptions	-	-
- Financial assumptions	-	-
- Experience adjustments	-	-
Present value of obligation as at the end of the year	-	-
d) Components of expenses recognised in the statement of profit or loss in respect of:	As at March 31, 2023 Gratuity (Unfunded)	As at March 31, 2022 Gratuity (Unfunded)
Current service cost	-	-
Interest cost	-	-
Expenses recognised in profit/loss	-	-
e) Components of expenses recognised in the other comprehensive income in respect of:	As at March 31, 2023 Gratuity (Unfunded)	As at March 31, 2022 Gratuity (Unfunded)
Actuarial (gains) / losses	-	-
- changes in demographic assumptions	-	-
- changes in financial assumptions	-	-
- experience variance	-	-
Component of defined benefit costs recognised in other comprehensive income	-	-
Notes:		
(i) The current service cost and the interest expense for the year are included in the 'Employee benefits expense' in the profit or loss.		
(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income		
f) Changes in the fair value of the plan assets are as follows:	As at March 31, 2023 Gratuity (Unfunded)	As at March 31, 2022 Gratuity (Unfunded)
Fair value of plan assets at the beginning	-	-
Add: Investment income	-	-
Add: Expected return on plan assets	-	-
Add: Employer's Contribution	-	-
Add: Employee's Contribution	-	-
Less: Benefits paid	-	-
Add: Actuarial gains / (losses) on the plan assets	-	-
Fair value of plan assets at the end	-	-



BMG Enterprises Limited
Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

g) The principal assumptions used for the purpose of the actuarial valuations were as follows:

	As at March 31, 2023 Gratuity (Unfunded)	As at March 31, 2022 Gratuity (Unfunded)
Economic assumptions		
1 Discount rate	NA	NA
2 Rate of increase in compensation levels	NA	NA
Demographic assumptions		
1 Expected average remaining working lives of employees (years)	NA	NA
2 Retirement Age (years)	NA	NA
3 Mortality Rate	NA	NA
Withdrawal Rate		
1 Ages up to 30 Years	NA	NA
2 Ages from 31-44	NA	NA
3 Above 44 years	NA	NA

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

h) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

	As at March 31, 2023 Gratuity (Unfunded)	As at March 31, 2022 Gratuity (Unfunded)
Present value of obligation	-	-
Fair value of plan assets	-	-
Net (assets) / liability	-	-
Classification into long term and short term:		
- Classified as long term	-	-
- Classified as short term	-	-
Total	-	-



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

i) A quantitative sensitivity analysis for significant assumption as is as shown below:

Significant actuarial assumption for the determination of defined obligation are discount rate, expected salary growth rate, attrition rate and mortality rate. The sensitivity analysis below have been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant.

	<u>As at March 31, 2023</u> Gratuity (Unfunded)	<u>As at March 31, 2022</u> Gratuity (Unfunded)
A. Discount rate		
Effect on defined benefit obligation due to 0.50 % increase in Discount Rate	NA	NA
Effect on defined benefit obligation due to 0.50 % decrease in Discount Rate	NA	NA
B. Salary escalation rate		
Effect on defined benefit obligation due to 0.50 % increase in Salary Escalation Rate	NA	NA
Effect on defined benefit obligation due to 0.50 % decrease in Salary Escalation Rate	NA	NA

j) Maturity profile of defined benefit obligation is as follows:

	<u>As at March 31, 2023</u> Gratuity (Unfunded)	<u>As at March 31, 2022</u> Gratuity (Unfunded)
0-1 year	NA	NA
1 to 2 years	NA	NA
2 to 3 years	NA	NA
3 to 4 years	NA	NA
4 to 5 years	NA	NA
5 to 6 years	NA	NA
6 year onwards	NA	NA



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 26 : Related party transactions

a) List of related parties:

Name of the Related Party	Relationship
i) Rossell India Limited	Subsidiary Company

b) Transactions related parties:

S.No.	Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
i)	Loans given during the year -Rossell India Limited	-	198.00
ii)	Repayment of loan received -Rossell India Limited	-	1,038.00 -
iii)	Interest on loan received -Rossell India Limited	-	11.68
iv)	Dividend Income -Rossell India Limited	71.29	71.29
v)	Rental Income -Rossell India Limited	-	12.00
vi)	Reimbursement of Expenses -Rossell India Limited	-	3.29
vii)	Sale of Investment Property -Rossell India Limited	1,100.00	-
viii)	Advance against expenses incurred on our behalf -Rossell India Limited	11.64	-
ix)	Net Outstanding Balance receivable -Rossell India Limited	-	-

c) During the Previous year, a Corporate Guarantee was sanctioned to its subsidiary, Rossell India Limited, in connection with a loan by HDFC Bank, for an amount not exceeding in aggregate Rs. 5,000 lakhs outstanding at any point of time. However, the Guarantee have been release by the HDFC Bank vide its letter dated March 09, 2022

d) The Company has issued Letter of Comfort for an amount of ₹ Nil (March 31, 2022: 4,500 lakh) in favour of Yes Bank Ltd. (" The Bank") against working capital facilities availed by Rossell India Limited from the bank. The LC have been release by the Bank vide its letter dated April 20, 2022

Note: All the transaction with the related parties are made at arm's length price. Loans to Rossell India Limited is unsecured carry interest rate of 6.75% to 8% and is repayable on demand. Other outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash within 12 month of reporting date. There have been no guarantees provided or received for any related party payables/receivables. No expenses has been recognized in the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.



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BMG Enterprises Limited**Notes to financial statements for the year ended March 31, 2023**

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 27 : Disclosure of Analytical Ratios

S.No	Ratio	Numerator	Denominator	Current year	Previous year	% Variance	Reason for variance (if above 25%)
1	Capital to risk-weighted assets ratio (CRAR)	Total of Tier I Capital & Tier II Capital	Total Risk weighted assets	22.44%	18.60%	3.84%	NA, as variance is <25%
2	Tier I CRAR	Tier I Capital	Total Risk weighted assets	22.44%	18.60%	3.84%	NA, as variance is <25%
3	Tier II CRAR	Tier II Capital	Total Risk weighted assets	0.00%	0.00%	0.00%	NA
4	Liquidity Coverage Ratio.	High Quality Liquid Assets	Net Cash Flow over subsequent 30 Days	1486.74%	-113.62%	1600.36%	Due to negative cash flow in previous year



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 28 : Segment Information

1. In line with the provision of Ind AS 108- Operating Segments and on the basis of review of operations being done by the board of directors of the Company (which has been identified as the Chief Operating Decision Maker (CODM) who evaluates the company's performance, allocates resources based on the analysis of the various performance indicator of the company as a single unit), the operations of the Company falls under consultancy services in the field of aviation, which is considered to be the only reportable segment & this year has been reduced to Nil.

2. Major Customer: No Income has been received from single customers or contributed individually the revenue in excess of 10% of total revenue of the Company from consultancy business during the current year and also during the previous year. Total revenue generated by the customers amounted to ₹ Nil (March 31, 2022 ₹ Nil).



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Note 29 : Financial instruments - fair values and risk management

29.1 Financial instruments by category and fair values

	As At March 31, 2023				As At March 31, 2022			
	FVTPL	FVOCI	Amortised cost	Others	FVTPL	FVOCI	Amortised cost	Others
Financial assets								
(a) Cash and cash equivalents			12.08				2.33	
(b) Other bank balance			-				-	
(c) Loans			-				-	
(d) Investments	364.62	-	50.00	3,245.05	962.19	-	50.00	1,687.32
(e) Other financial assets			2.98	-			3.05	
	364.62	-	65.06	3,245.05	962.19	-	55.38	1,687.32
Financial liabilities								
Trade payables	-	-	14.87	-	-	-	1.83	-
Other financial liabilities	-	-	-	-	-	-	-	-
	-	-	14.87	-	-	-	1.83	-

Financial assets and liabilities measured at fair value - recurring fair value measurements (refer note 31.1)

	As At March 31, 2023		As At March 31, 2022	
	As	At	As	At
Financial assets				
Level 1				
- Financial instruments at FVTPL: Investments in mutual fund		364.62		962.19
Level 2				
- Financial instruments at FVTPL: None		-		-
Level 3				
- Financial instruments at FVTPL: None		-		-
- Financial instruments at FVOCI: None		-		-
Total financial assets		364.62		962.19



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

29.2 Measurement of fair value

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of investments in mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are investments in unquoted equity instruments and other investment.

There have been no transfers between Level 1 and Level 2 during the period.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

- Investments in mutual funds: Fair value is determined by reference to quotes, i.e. net asset value (NAV) for investments in mutual funds as declared.



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BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

29.3 Fair value :

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Fair value of financial assets:

	Carrying values				Fair values			
	As March 31, 2023	At March 31, 2022	As March 31, 2023	At March 31, 2022	As March 31, 2023	At March 31, 2022	As March 31, 2023	At March 31, 2022
Financial assets measured at fair value through profit or loss								
Mutual fund		364.62		962.19		364.62		962.19
		364.62		962.19		364.62		962.19

Financial assets measured at amortised cost

Cash and cash equivalents		12.08		2.33		12.08		2.33
Other bank balance		-		-		-		-
Loans		-		-		-		-
Investments		50.00		50.00		50.00		50.00
Other financial assets		2.98		3.05		2.98		3.05
		65.06		55.38		65.06		55.38

b) Fair value of financial liabilities:

	Carrying values				Fair values			
	As March 31, 2023	At March 31, 2022	As March 31, 2023	At March 31, 2022	As March 31, 2023	At March 31, 2022	As March 31, 2023	At March 31, 2022
Financial liabilities measured at amortised cost								
Trade payables		14.87		1.83		14.87		1.83
Other financial liabilities		-		-		-		-
		14.87		1.83		14.87		1.83

Assets and liabilities which are measured at amortised cost:

(i) Fair value of cash and cash equivalents, trade receivables, Staff loans and security deposits, borrowings, trade payables, other current financial liabilities approximate their carrying amount, largely due to the short-term nature of these instruments.

(ii) Fair value of all other financial assets have not been disclosed as the change from carrying amount is not significant, as the discount rate has not changed significantly.

c) Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

29.4 Capital management

The Company's objective for managing capital is to

- Ensure ability to continue as a going concern, so that the Company can continue to provide returns to shareholders and benefits for other stakeholders, and
- maintain optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital structure using Gearing Ratio, which is calculated as under:

The Company's adjusted net debt to equity ratio was as follows:

		<u>As</u> <u>March 31, 2023</u>	<u>At</u> <u>March 31, 2022</u>
Borrowings		-	-
Less: cash and cash equivalents		12.08	2.33
Adjusted net debt	(A)	(12.08)	(2.33)
Equity Shares		92.33	92.33
Other Equity		3,655.10	2,667.11
Total Capital	(B)	3,747.43	2,759.44
Gearing ratio	(A)/(B)	-0.32%	-0.08%

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

For the purpose of capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Company.

29.5 Financial risk management

The company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

Risk management framework:

The Company's principal financial liabilities comprise trade and other payables, employees related payables and others. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's principal financial assets includes Investment in mutual funds, security deposits, trade receivables, cash and cash equivalents, deposits with banks, interest accrued in deposits, receivables from related & other parties.

The Company is exposed to credit risk, liquidity risk and market risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk borrowings, short term deposits and derivative financial instruments.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency)

Company is not exposed to foreign currency sensitivity because Company does not have any outstanding foreign currency exposure as on March 31, 2023.

B. Credit risk

Financial instruments that potentially subject the company to concentrations of credit risk consists of cash & cash equivalents, time deposits, loans given and accounts receivables. The company maintaining its cash & cash equivalent, time deposits with banks having good reputation, good past track records & who meet the minimum threshold requirement under the counter party risk assessment process & reviews their credit worthiness on a periodic basis. Loans given & accounting receivables of the company are typically unsecured. As there is no independent credit rating of the customer available with the company, management reviews the creditworthiness of customers based on their financial position , past experience & other factors. The company perform ongoing credit evaluation of their financial conditions and monitor the creditworthiness of their customers to which they grant credit terms in the normal course of business.

i) Trade receivables

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

The company primarily has the exposure from customers w.r.t. consultancy services.

Company has established a policy under which each new customers are analysed individually for creditworthiness before services are rendered to them. The company's review includes due diligence by analysing financial statements, industry information, promoter's background and in some cases bank references. In case of sales of services, the company has limited its credit exposure to customers by providing a maximum payment period up to 60 days.

The company's expected probability of default is nil and all major payments are received on due dates without any significant delays.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Upto 180 days	More than 180 days	Total
Trade Receivables as of March 31, 2023	-	-	-	-
Trade Receivables as of March 31, 2022	-	-	-	-

The company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivables, loans and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, their geographical location, industry and existence of previous financial difficulties.

The impairment provisions for financial assets, if any, are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

However, Company need not required to provide for any risk allowance on account of trade receivable being bad and not recoverable as the are no amount of outstanding pertaining to trade receivables which exceeds the credit period allowed by the company.

ii) Other financial assets

The company's exposure to credit risk for other financial assets are as follows:

	As March 31, 2023	At March 31, 2022
Cash and cash equivalents	12.08	2.33
Other bank balance	-	-
Loans	-	-
Investments	3,659.67	2,699.52
Other financial assets	2.98	3.05
	3,674.73	2,704.90



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs 'unless otherwise stated')

C. Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities, when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company's primary sources of liquidity include cash deposits, short term investments in mutual funds, borrowings, undrawn committed credit facilities and cash flow from operating activities. The company seeks to increase income from its existing operations by maintaining quality standards for its goods and services while reducing the related costs and by controlling operating expenses.

Consequently, the company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. However, material changes in the factors described above may adversely affect the company's net cash flows.

As on March 31, 2023, Company doesn't have any outstanding borrowings.

Exposure to liquidity risk:

The following are the remaining undiscounted contractual maturities of financial liabilities including interest at the reporting date:

As At March 31, 2023

	Carrying amount	Total	Contractual cash flow		
			Less than 1 year	1-5 years	More than 5 years
Financial liabilities					
Trade payables	14.87	14.87	14.87	-	-
Other financial liabilities	-	-	-	-	-
	14.87	14.87	14.87	-	-

As At March 31, 2022

	Carrying amount	Total	Contractual cash flow		
			Less than 1 year	1-5 years	More than 5 years
Financial liabilities					
Trade payables	1.83	1.83	1.83	-	-
Other financial liabilities	-	-	-	-	-
	1.83	1.83	1.83	-	-



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

- Note 30** : The company has accounted for accrued final dividend from its subsidiary M/s Rossell India Limited, declared by the subsidiary company in May 27, 2022 and received in August 2022.
- Note 31** : No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entity identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- Note 32** : During the financial year 2019-20, the Company had satisfied 50-50 test, as prescribed by the RBI press release 1998-99/1269 dated April 8, 1999 read with Notification DNBS (PD) C.C. No. 81 / 03.05.002 / 2006-2007 dated October 19, 2006. Consequent to this, the financial statements have been drawn up as per Division III to Schedule III to the Companies Act 2013, being applicable to Non Banking Financial Company in pursuance to MCA Notification GSR 365(E) dated 10 October, 2018.
- Note 33** No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
- (a) Crypto Currency or Virtual Currency
 - (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - (c) Relating to borrowed funds:
 - i) Wilful defaulter
 - ii) Borrowings obtained on the basis of security of current assets (To be given in case no borrowings taken against security)
 - iii) Discrepancy in utilisation of borrowings
- Note 34** The company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial years.
- Note 35** The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. However, during earlier years, the company has availed credit facilities from several banks/ financial institutions, which has been fully repaid in earlier years. However, charges against them are still disclosed as Open Charge in the records of Registrar of Companies (ROC) for an amount of INR 580.00 lakhs. The management of the company is in the process of closure of satisfaction of the same with ROC. The details of the open charges are as follows:

Charge ID	Charge Holder Name	Amount
90060086	Vijaya Bank	85.50
90060085	Gujarat Indust Investment Corp Ltd	90.00
90059938	The Pradeshiya Industrial and Ivest Corp of UP Ltd	25.50
90059820	Vijaya Bank	250.00
90059815	The Pradeshiya Industrial and Ivest Corp of UP Ltd	59.00
90059804	Deutsche Bank	50.00
90059458	Indosuez Banqua	20.00



BMG Enterprises Limited

Notes to financial statements for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

- Note 36** : The Board of the company has approved the scheme of amalgamation between BMG Enterprises Limited (Transferor Company) and Rossell India Limited (Transferee Company), subject to the requisite approval and sanction of jurisdiction bench of the National Company Law Tribunal (NCLT) and subject to the approval of shareholders and creditors of the company, Central Government or such other competent authority as may be directed by NCLT, in compliance of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, read with underlying SEBI circulars. As per the Scheme of Amalgamation, appoint date is taken as July 01,2022.
- Note 37** : Previous year figures have been regrouped & reclassified where ever required.
- Note 38** : Figures are Rounded in nearest Rupee Lakhs.

For and on behalf of the Board of Directors of
BMG Enterprises Limited


(Harsh Mohan Gupta)
Managing Director
DIN-00065973


(Vinita Gupta)
Director
DIN-00065994

Place of Signature: New Delhi

Date: 14 JUL 2023





REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ROSSELL INDIA LIMITED AT ITS VIRTUAL MEETING HELD ON 12th JULY, 2022, EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ('Board') of the Company at its meeting held on 12th July, 2022 have approved the draft Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme").
- 1.2. As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.
- 1.4. The Scheme provides for amalgamation of BMG Enterprises Limited into Rossell India Limited. The Appointed Date for the Scheme is 1st July, 2022.
- 1.5. As on the date of approval of Scheme by the Board, BMG Enterprises Limited holds 2,37,63,795 equity shares of Rs. 2 each and 10,00,000 0.01% compulsorily convertible preference shares of Rs. 10 each of the Transferee Company.
- 1.6. The following documents were, inter alia, placed before the Board:
 - a) Draft Scheme of Amalgamation;
 - b) Valuation Report dated 12th July, 2022 of Harsh Ruparelia, Registered Valuer;
 - c) the Fairness Opinion Report on the share entitlement ratio dated 12th July, 2022 of M/s. Fedex Securities Private Limited, Category-I, Merchant Banker,;
 - d) A certificate, dated 12th July, 2022 issued by the Statutory Auditors of the Company i.e., M/s. Khandelwal Ray & Co., Chartered Accountants,





to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013, as placed before the Board be and is hereby accepted and taken on record;

- e) Independent Director's Committee report;
- f) Last 3 years audited financials of the Transferor Company and Transferee Company; and
- g) Audit Committee Report for the Scheme

2 VALUATION REPORT – SHARE EXCHANGE RATIO In consideration of the amalgamation of BMG Enterprises Limited with Rossell India Limited, based on the valuation report of CA Harsh Chandrakant Ruparelia, Chartered Accountants dated 12th July, 2022, being Registered Valuer appointed for the purpose of the Scheme, has recommend the following share entitlement ratio which is approved:

"2,37,63,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the Equity Shareholders of the Transferor Company in proportion of their holding in the Transferor Company"

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as "New Equity Shares").

"10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company shall be issued and allotted as fully paid up to the Equity Shareholders of the Transferor Company in proportion of their holding in the Transferor Company"

(Preference shares to be issued by the Transferee Company as above are hereinafter referred to as "New Preference Shares")

The Transferor Company holds 2,37,63,795 equity shares of Rs. 2 each and 10,00,000 0.01 % Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 2,37,63,795 to the Equity Shareholders of the Transferor Company and 10,00,000 New Preference Shares to the Equity Shareholders of the Transferor Company.

In the event that the New Equity shares to be issued result in fractional entitlement, the Board of Directors of the Transferee Company shall be empowered to





consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer. However, in no event, the number of New Equity shares to be allotted by the Transferee Company to the equity shareholders of the Transferor Company shall exceed the total number of equity shares held by the Transferor Company in the Transferee Company. Also, in no event, the number of New Preference Shares to be allotted by the Transferee Company to the Equity Shareholders of the Transferor Company shall exceed the total number of Preference Shares held by the Transferor Company in the Transferee Company.

Further, M/s. Fedex Securities Private Limited, Category-I, Merchant Banker, has issued the Fairness Opinion Report on the share entitlement ratio dated 12th July, 2022.

3 EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

The Scheme provides for issuing exactly same number of Shares (including such additional / reduced shares held on Record Date) to the Shareholders of the Transferor Company as is currently held by the Transferor Company in the Company.

- 3.2 The post-Scheme promoter group shareholding in the Company will not change pursuant to the Scheme. Further, the public shareholding of the Company will continue to remain same, post amalgamation.
- 3.3 All cost, charges and expense relating to the Scheme would be borne by the Transferor Company and / or its shareholders.
- 3.4 Existing shares (including such additional / reduced shares held on Record Date) held by the Transferor Company shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.
- 3.5 The New Equity Shares of the Company to be issued to the Equity Shareholders of the Transferor Company will be listed for trading on the stock exchanges where the shares of the Company are listed. The New Preference shares of the Company to be issued to the shareholders of the Transferor Company will not be listed for trading on any stock exchange.
- 3.6 The Company is not expecting any change in the key managerial personnel of the Company in pursuance of the Scheme becoming effective.



CONTINUATION



3.7 There will be no adverse effect of the said Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company.

For ROSSELL INDIA LIMITED

A handwritten signature in black ink, appearing to read 'H M Gupta', written over a circular stamp.

H M Gupta

Executive Chairman

DIN: 00065973





ADDENDUM TO THE REPORT DATED 12TH JULY, 2022 ADOPTED BY THE BOARD OF DIRECTORS OF ROSSELL INDIA LIMITED DATED AT ITS MEETING HELD ON 25TH FEBRUARY, 2023, EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ('Board') of the Company at its Meeting held on 12th July, 2022 had approved the draft Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme").
- 1.2. The Board is aware that the aforesaid Scheme is presently pending clearance from the BSE Limited, National Stock Exchange of India Limited (together referred as "Stock Exchanges") and Securities Exchange Board of India ("SEBI").
- 1.3. The Board is also aware that pursuant to submission of the said Scheme to the Stock Exchange for obtaining NOC, the Company was advised by the Stock Exchanges to submit a revised Scheme to capture conversion of 0.01% 10,00,000 Compulsorily Convertible Preference Shares of Rs. 10 each held by BMG Enterprises Limited into 10,00,000 Equity Shares of Rs. 2 each as per the agreed terms, as approved by the Board on 16th December, 2022 along with subsequent sale of 32,000 Equity Shares of the Transferee Company by the Transferor Company as directed by the Stock Exchanges and SEBI to fulfill the requirements of the Regulations, the proceeds of which will be utilized to fulfill the obligations undertaken in the scheme.
- 1.4. The Board Note that the Scheme is revised due to consequential change in the capital structure. As there is no change other than re classification of the capital structure and neither there is any additional consideration, there is no requirement to revise the Statutory Auditors Accounting treatment certificate under section 133 of the Companies Act 2013, Valuation report, Fairness Opinion and Independent Directors report and such other relevant documents. However, in order to practice prudence on the above matter, the Company has made Addendum to the Statutory Auditors Accounting treatment certificate under section 133 of the Companies Act 2013, Valuation report, Fairness Opinion and Independent Directors report and such other relevant documents.
- 1.5. Accordingly, as per Section 232(2) (c) of the Companies Act, 2013 ('the Act'), an Addendum to the Report dated 12th July, 2022 is made and adopted by the Board explaining effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders, which is required to be circulated to the Shareholders and/or Creditors along with the Notice convening the Meeting.





- 1.6. As on the date of approval of the Revised Scheme by the Board, BMG Enterprises Limited, the Transferor Company holds 2,47,31,795 Equity shares of Rs. 2 each in the Transferee Company after giving effect to the changes as per Para 1.3 as above.
- 1.7. The following documents were, inter alia, placed before the Board:
- Revised Scheme of Amalgamation;
 - Addendum to Valuation Report dated 25th February, 2023 of CA Harsh Ruparelia, Chartered Accountant, Registered Valuer;
 - Addendum the Fairness Opinion Report on the share entitlement ratio dated 25th February, 2023 of M/s. Fedex Securities Private Limited, Category-I, Merchant Banker,;
 - A certificate, dated 25th February, 2023 issued by the Statutory Auditors of the Company i.e., M/s. Khandelwal Ray & Co., Chartered Accountants, to the effect that the revised Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013, as placed before the Board be and is hereby accepted and taken on record;
 - Addendum to the Audit Committee Report for the Scheme
 - Addendum to the Committee of Independent Directors Report; and
 - Last 3 years audited financials of the Transferor Company and Transferee Company;

2. VALUATION REPORT – SHARE EXCHANGE RATIO

As per the Valuation report dated 25th February, 2023 issued by M/s Harsh Ruparelia, Chartered Accountants, Valuer, the revised share entitlement ratio is as follows:

"2,47,31,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company"

The Transferor Company holds 2,47,31,795 equity shares of Rs. 2 of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 2,47,31,795 to the equity shareholders of the Transferor Company.

In the event that the New Equity shares to be issued result in fractional entitlement, the Board of Directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer. However, in no event, the number of New Equity shares to be allotted by the Transferee Company to the Equity Shareholders of the Transferor Company shall exceed the total number of Equity Shares held by the Transferor Company in the Transferee Company.

Further, M/s. Fedex Securities Private Limited, Category-I, Merchant Banker, have issued addendum to the Fairness Opinion Report on the revised share entitlement ratio dated 25th February, 2023.





3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

- 3.1 The Scheme provides for issuing exactly same number of shares (including such additional / reduced shares held on Record Date) to the shareholders of the Transferor Company as is currently held by the Transferor Company in the Company.
- 3.2 The post-Scheme promoter group shareholding in the Company will not change pursuant to the Scheme. Further, the public shareholding of the Company will continue to remain same, post amalgamation.
- 3.3 All cost, charges and expense relating to the Scheme would be borne by the Transferor Company and / or its shareholders.
- 3.4 Existing shares (including such additional / reduced shares held on Record Date) held by the Transferor Company shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.
- 3.5 The New Equity Shares of the Company to be issued to the Equity Shareholders of the Transferor Company will be listed for trading on the stock exchanges where the shares of the Company are listed.
- 3.6 The Company is not expecting any change in the key managerial personnel of the Company in pursuance of the Scheme becoming effective.
- 3.7 There will be no adverse effect of the said Scheme on the shareholders, key managerial personnel, promoter and non-promoter shareholders of the Company.

For ROSSELL INDIA LIMITED

H M Gupta

Executive Chairman

DIN: 00065973



Place: Delhi

Date: 25th February, 2023

BMG Enterprises Ltd

1st Floor, DCM Building, 16 Barakhamba Road, New Delhi – 110001
Phone No.: 011-23713544-3262; E-mail ID: bmgenterprises2018@gmail.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF BMG ENTERPRISES LIMITED AT ITS MEETING HELD ON 12th JULY 2022, AT THE REGISTERED OFFICE OF THE COMPANY AT DCM BUILDING, 16, BARAKHAMBHA ROAD, NEW DELHI 110 001 EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ('Board') of the Company at its Meeting held on 12th July, 2022 have approved the Draft Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme").
- 1.2. As per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), a report adopted by the Board explaining effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders, is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.
- 1.4. The Scheme provides for amalgamation of BMG Enterprises Limited into Rossell India Limited. The Appointed Date for the Scheme is 1st July, 2022.
- 1.5. As on the date of approval of Scheme by the Board, BMG Enterprises Limited holds 2,37,63,795 equity shares of Rs. 2 each and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company
- 1.6. The following documents were, inter alia, placed before the Board:
 - a) Draft Scheme of Amalgamation;
 - b) Valuation Report dated 12th July, 2022 of CA Harsh Chandrakant Ruparelia, Registered Valuer;
 - c) Last 3 years audited financials of the Transferor Company and Transferee Company; and
 - d) The Fairness Opinion Report on the share entitlement ratio dated 12th July, 2022 of M/s. Fedex Securities Private Limited, Category-I, Merchant Banker.

CIN: U51909DL1978PLC009050



BMG Enterprises Ltd

1st Floor, DCM Building, 16 Barakhamba Road, New Delhi – 110001
Phone No.: 011-23713544-3262; E-mail ID: bmgenterprises2018@gmail.com

2. VALUATION REPORT – SHARE EXCHANGE RATIO

In consideration of the amalgamation of BMG Enterprises Limited with Rossell India Limited, based on the valuation report of M/s Harsh Chandrakant Ruparelia, Registered Valuer dated 12th July, 2022 being valuer appointed for the purpose of the Scheme, has recommended the following share entitlement ratio which is approved:

“2,37,63,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the Equity Shareholders of the Transferor Company in proportion of their holding in the Transferor Company”

(Equity shares to be issued by the Transferee Company as above are hereinafter referred to as “New Equity Shares”).

“10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company shall be issued and allotted as fully paid up to the Equity Shareholders of the Transferor Company in proportion of their holding in the Transferor Company”

(Preference shares to be issued by the Transferee Company as above are hereinafter referred to as “New Preference Shares”)

The Transferor Company holds 2,37,63,795 Equity Shares of Rs. 2 each and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 2,37,63,795 to the Equity Shareholders of the Transferor Company and 10,00,000 New Preference Shares to the Equity Shareholders of the Transferor Company.

In the event that the New Equity shares to be issued result in fractional entitlement, the Board of Directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer. However, in no event, the number of New Equity shares to be allotted by the Transferee Company to the Equity Shareholders of the Transferor Company shall exceed the total number of Equity Shares held by the Transferor Company in the Transferee Company. Also, in no event, the number of New Preference shares to be allotted by the Transferee Company to the Equity shareholders of the Transferor Company shall exceed the total number of Preference Shares held by the Transferor Company in the Transferee Company.

CIN: U51909DL1978PLC009050



BMG Enterprises Ltd.

1st Floor, DCM Building, 16 Barakhamba Road, New Delhi – 110001
Phone No.: 011-23713544-3262; E-mail ID: bmgenterprises2018@gmail.com

3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

- 3.1 The Scheme provides for issuing exactly same number of shares (including such additional / reduced shares held on Record Date) to the Shareholders of the Company as is currently held by the Company in the Transferee Company.
- 3.2 The post-Scheme promoter group shareholding in the Transferee Company will not change pursuant to the Scheme. Further, the public shareholding of the Company will continue to remain same, post amalgamation.
- 3.3 All cost, charges and expense relating to the Scheme would be borne by the Transferor Company and / or its shareholders.
- 3.4 Existing shares (including such additional / reduced shares held on Record Date) held by the Transferor Company shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.
- 3.5 The New Equity Shares of the Company to be issued to the Equity Shareholders of the Transferor Company will be listed for trading on the Stock Exchanges where the shares of the Company are listed. The New Preference shares of the company to be issued to the shareholders of the Transferor Company will not be listed for trading on any stock exchange.
- 3.6 There will be no adverse effect of the said Scheme on the Equity Shareholders (the only class of shareholders), Key Managerial Personnel, Promoter and Non-promoter Shareholders of the Company.
- 3.7 The existing Directors / KMPs of the Transferor Company shall cease to be the Directors / KMP of Transferor Company upon the Scheme becoming effective as the Transferor Company shall cease to exist.

For BMG ENTERPRISES LIMITED


Harsh Mohan Gupta
Managing Director
DIN: 00065973



CIN: U51909DL1978PLC009050

BMG Enterprises Ltd.

Regd. Off.: Jindal Towers, Block 'B', 4th Floor, 21/1A/3 Darga Road, Kolkata – 700017

Phone No.: 033-2283-4318; E-mail ID: bmgenterprises2018@gmail.com

ADDENDUM TO THE REPORT DATED 12th JULY, 2022 ADOPTED BY THE BOARD OF DIRECTORS OF BMG ENTERPRISES LIMITED AT ITS 25th FEBRUARY, 2023, EXPLAINING EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. BACKGROUND

- 1.1. The Board of Directors ('Board') of the Company at its meeting held on 12th July, 2022 had approved the Draft Scheme of Amalgamation between BMG Enterprises Limited ("the Transferor Company") and Rossell India Limited ("the Transferee Company") and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013 ("Scheme" or "the Scheme").
- 1.2. The Board is also aware that the aforesaid Scheme is presently pending clearance from the BSE Limited, National Stock Exchange of India Limited (together referred as "Stock Exchanges") and Securities and Exchange Board of India ("SEBI").
- 1.3. The Board is also aware that Pursuant to submission of the said Scheme to the Stock Exchange for obtaining NOC, the Company was advised by the Stock Exchanges to submit a revised Scheme to capture conversion of 0.01% 10,00,000 Compulsorily Convertible Preference Shares of Rs. 10 each held by BMG Enterprises Limited into 10,00,000 Equity Shares of Rs. 2 each as per the agreed terms as approved by the Board 16th December, 2022 along with subsequent sale of 32,000 Equity Shares of the Transferee Company by the Transferor Company as directed by the Stock Exchanges and SEBI to fulfill the requirements of the Regulations, the proceeds of which will be utilized to fulfill the obligations undertaken in the scheme.
- 1.4. The Board noted that the Scheme is revised due to consequential change in the capital structure. As there is no change other than re classification of the capital structure and neither there is any additional consideration, there is no requirement to revise the Valuation report and Fairness Opinion and such other relevant documents. However, in order to practice prudence on the above matter, the Company has made Addendum to the Valuation Report and Fairness Opinion and such other relevant documents.
- 1.5. Accordingly, as per Section 232(2)(c) of the Companies Act, 2013 ('the Act'), an Addendum to the Report dated 12th July, 2022 is made and adopted by the Board explaining effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders, which is required to be circulated to the shareholders and/or creditors along with the notice convening the meeting.
- 1.6. As on the date of approval of the Revised Scheme by the Board, BMG Enterprises Limited, the Transferor Company holds 2,47,31,795 Equity Shares of Rs. 2 each in the Transferee Company after giving effect to the changes as per Para 1.3 as above.
- 1.7. The following documents were, inter alia, placed before the Board:
 - a) Revised Scheme of Amalgamation;

CIN: U51909WB1978PLC256796



- b) Addendum to Valuation Report dated 25th February, 2023 of CA Harsh Ruparelia, Chartered Accountants, Registered Valuers;
- c) Addendum the Fairness Opinion Report on the share entitlement ratio dated 25th February, 2023 of M/s. Fedex Securities Private Limited, Category-I, Merchant Banker,;
- d) Last 3 years audited financials of the Transferor Company and Transferee Company; and

2. VALUATION REPORT – SHARE EXCHANGE RATIO

As per the Valuation report dated 25th February, 2023 issued by M/s Harsh Ruparelia, Chartered Accountants, Valuer the revised share entitlement ratio is as follows:

“2,47,31,795 fully paid up Equity Share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the Equity Shareholders of the Transferor Company in proportion of their holding in the Transferor Company”

The Transferor Company holds 2,47,31,795 Equity Shares of Rs. 2 of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 2,47,31,795 to the Equity Shareholders of the Transferor Company.

In the event that the New Equity Shares to be issued result in fractional entitlement, the Board of Director of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity Shares to nearest integer. However, in no event, the number of New Equity Shares to be allotted by the Transferee Company to the Equity Shareholders of the Transferor Company shall exceed the total number of Equity Shares held by the Transferor Company in the Transferee Company.

Further, M/s. Fedex Securities Private Limited, Category-I, Merchant Banker, has issued addendum to the Fairness Opinion Report on the revised share entitlement ratio dated 25th February, 2023.

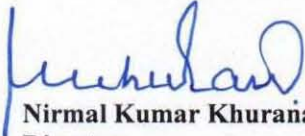
3. EFFECT OF SCHEME ON THE SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL OF THE COMPANY

- 3.1 The Scheme provides for issuing exactly same number of shares (including such additional / reduced shares held on Record Date) to the shareholders of the Company as is currently held by the Company in the Transferee Company.
- 3.2 The post-Scheme promoter group shareholding in the Transferee Company will not change pursuant to the Scheme. Further, the public shareholding of the Transferee Company will continue to remain same, post amalgamation.
- 3.3 All cost, charges and expense relating to the Scheme would be borne by the Transferor Company and / or its shareholders.
- 3.4 Existing shares (including such additional / reduced shares held on Record Date) held by the Transferor Company shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.



- 3.5 The New Equity Shares of the Transferee Company to be issued to the Equity Shareholders of the Transferor Company will be listed for trading on the Stock Exchanges where the shares of the Transferee Company are listed.
- 3.6 There will be no adverse effect of the said Scheme on the Equity Shareholders (the only class of shareholders), key managerial personnel, promoter and non-promoter shareholders of the Company.
- 3.7 The existing directors / KMPs of the Transferor Company shall cease to be the directors / KMP of Transferor Company upon the Scheme becoming effective as the Transferor Company shall cease to exist.

For BMG ENTERPRISES LIMITED



Nirmal Kumar Khurana
Director
DIN: 00123297



Place: Kolkata
Date: 25th February, 2023

CA Harsh Chandrakant Ruparelia

Registered Valuer – Securities or Financial Assets

(IBBI Registration No. IBBI/RV/05/2019/11106 and

Membership No. ICMAI RVO/S&FA/00054)

12th July 2022

To,

The Board of Directors B M G Enterprises Limited 1 st Floor, DCM Bldg, 16 Barakhamba Road, New Delhi – 110 001, India	The Audit Committee and the Board of Directors Rossell India Limited Jindal Towers, Block – "B", 4 th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India
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Sub: Report on Recommendation of Share Exchange Ratio(s) for the proposed amalgamation of B M G Enterprises Limited with and into Rossell India Limited pursuant to the Draft Scheme of Amalgamation under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 read with rules & regulations framed thereunder ("Scheme")

Dear Sirs,

I refer to my engagement letter dated 6th July 2022, whereby CA Harsh Chandrakant Ruparelia, Registered Valuer – Securities or Financial Assets (hereinafter referred to as "the Valuer" or "I") has been appointed by the management of B M G Enterprises Limited [CIN: U51909DL1978PLC009050] (hereinafter referred to as "BMG" or "the Transferor Company") and Rossell India Limited [CIN: L01132WB1994PLC063513] (hereinafter referred to as "RIL" or "the Transferee Company") to issue a report containing recommendation(s) of Share Exchange Ratio for the proposed merger of B M G Enterprises Limited with and into Rossell India Limited pursuant to the Draft Scheme of Amalgamation ("Scheme") with effect from the Appointed Date, as defined

Page 1 of 13

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Kandivali Jyoti Park CHS Ltd,
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Mumbai – 400 067

HARSH C
RUPARELIA

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Date: 2022.07.12
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in the Scheme. The Rationale for the Proposed Scheme is provided for in Part B of the Scheme.

I do not have any financial interest in the Companies, nor do I have any conflict of interest for the purpose of this report, as of the date of the engagement letter till the date of this Report. I further state that I am not related to the Companies or their promoter(s), or their director(s) or their relative(s).

The Equity Share Exchange Ratio for this report refers to number of equity shares of RIL, which would be issued to the equity shareholders of BMG pursuant to the Proposed Scheme.

The Preference Share Exchange Ratio for this report refers to number of preference shares of RIL, which would be issued to the equity shareholders of BMG pursuant to the Proposed Scheme.

The Transferor Company and the Transferee Company are hereinafter individually referred to as "Company" and collectively referred to as "Companies", as the context may require. Equity Share Exchange Ratio and Preference Share Exchange Ratio are hereinafter collectively referred to as Share Exchange Ratio, as the context may require.

In the following paragraphs, I have summarized my understanding of the key facts; key information relied upon, basis of recommendation and limitations to my scope of work.

The report is structured as under:

1. Purpose of this Report
2. Background
3. Sources of Information
4. Basis of Recommendation
5. Share Exchange Ratio
6. Exclusions and Scope Limitations

1. PURPOSE OF THIS REPORT

- 1.1 I understand that the Management of the Companies is contemplating a Scheme of Amalgamation ("Scheme") under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and rules

& regulations framed thereunder for the proposed amalgamation of B M G Enterprises Limited ("BMG" or "the Transferor Company") with and into Rossell India Limited ("RIL" or "the Transferee Company") in accordance with provisions of Section 2(1B) of the Income-tax Act, 1961. The merger is proposed to take effect from the Appointed Date i.e., 1st July 2022. As a consideration for the proposed Scheme, equity shareholders of BMG will be issued equity shares and preference shares of RIL.

1.2 In this regard, CA Harsh Chandrakant Ruparelia, Registered Valuer – Securities or Financial Assets has been appointed by the Companies for recommendation of Share Exchange Ratio for the proposed Scheme. The recommendation to arrive at the Share Exchange Ratio is considering 30th June 2022 as the Valuation Date.

2. BACKGROUND

2.1 B M G ENTERPRISES LIMITED

2.1.1 BMG was incorporated on 6th June 1978 under the erstwhile provisions of the Companies Act, 1956. The registered office of BMG is currently situated at 1st Floor, DCM Bldg, 16 Barakhamba Road, New Delhi – 110 001, India. I have been given to understand that the Transferor Company has filed an application for shifting its registered office from the National Capital Territory of Delhi to the State of West Bengal with the proposed registered office address at Jindal Towers, Block – "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India.

2.1.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of BMG as on date is as under:

Particulars	Amount in Rs.
<u>Authorised Share Capital</u>	
5,00,000 Equity Shares of Rs. 100/- each	5,00,00,000
Total	5,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
92,332 Equity Shares of Rs.100/- each, fully paid-up	92,33,200
Total	92,33,200

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2.1.3 The equity shareholding pattern of BMG as on date is as under:

Sr. No.	Name of the Shareholder	No. of equity shares held	Shareholding (%)
1	Mr. Harsh Mohan Gupta	48,572	52.60
2	Mrs. Vinita Gupta	11,002	11.92
3	Mr. Rishab Mohan Gupta	22,002	23.83
4	Mr. H.M. Gupta & Sons (HUF)	10,734	11.63
5	Ms. Samara Gupta	2	0.00
6	M/s BMG Investments Private Limited	10	0.01
7	M/s Harvin Estates Private Limited	10	0.01
Total		92,332	100.00

2.1.4 BMG is primarily engaged in holding investments. BMG holds 2,37,63,795 equity shares of Rs. 2 each fully paid up, representing about 64.76% of the total paid up share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up in the Transferee Company. I have been given to understand that BMG does not hold any investments other than investment in the Transferee Company or undertake any other business operations. Further, I understand that the Company does not hold any other assets or liabilities, other than the one disclosed.

2.2 ROSSELL INDIA LIMITED

2.2.1 RIL was incorporated on 10th June 1994 under the erstwhile provisions of the Companies Act, 1956. The registered office of RIL is currently situated at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India.

2.2.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of RIL as on date is as under:

Particulars	Amount in Rs.
<u>Authorised Share Capital</u>	
3,80,00,000 Equity Shares of Rs. 2/- each	7,60,00,000
14,00,000 Preference Shares of Rs. 10/- each	1,40,00,000
Total	9,00,00,000

<u>Issued, Subscribed and Paid-up Share Capital</u>	
3,66,96,475 Equity Shares of Rs. 2/- each, fully paid-up	7,33,92,950
10,00,000, 0.1% Compulsorily Convertible Preference Shares of Rs. 10/- each, fully paid-up	1,00,00,000
Total	8,33,92,950

2.2.3 The summary of equity shareholding pattern of RIL as 31st March 2022 is as under:

Sr. No.	Category of the Shareholder	No. of equity shares held	Shareholding (%)
1	Promoter	2,74,90,233	74.91
2	Public	92,06,242	25.09
Total		3,66,96,475	100.00

2.2.4 RIL is primarily engaged in the following business activities:

- Cultivation, Manufacture and Sell of Bulk Tea – The Company owns Tea Estates in Assam; and
- Engineering and Manufacturing in Aerospace and Defense Services

The equity shares of RIL are listed on the BSE Limited ("BSE"), the National Stock Exchange of India Limited ("NSE").

3. SOURCES OF INFORMATION

For the purpose of the recommendation of the Share Exchange Ratio, I have relied upon the following information provided by the management of the Companies:

- (a) Audited Financial Statements of the Companies for the year ended 31 March 2021;
- (b) Audited Financial Statements of BMG for the year ended 31 March 2022;
- (c) Unaudited Financial Statements of RIL for the year ended 31 March 2022;
- (d) Unaudited Financial Statements of BMG for the period ended 30 June 2022;
- (e) Latest shareholding pattern of the Companies, as duly certified;
- (f) Draft Scheme of Amalgamation (as duly certified by the Management of the Companies);
- (g) Memorandum and Articles of Association of the Companies;

- (h) Other relevant details of the Companies such as its history, past and present activities, future plans and prospects, and other relevant information; and
- (i) Such other information and explanations as required and which have been provided by the Management of the Companies.

4. BASIS OF RECOMMENDATION

- 4.1. For the purpose of my opinion, I have relied upon the current shareholding of the Companies, the draft Scheme of Amalgamation and other information as provided by the Management of the Companies and their respective advisors and authorized representatives.
- 4.2. Based on review of the information made available and my discussions with the Management of the Companies, authorized representatives and advisors of the Companies, some of the important factors considered for recommendation are as under:
 - (a) BMG holds 2,37,63,795 equity shares of Rs. 2 each fully paid up, representing about 64.76% of the total paid up share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up in the Transferee Company. I have been given to understand that the Transferor Company does not hold any other business assets / surplus assets / investments and/or any other net liabilities, which are getting transferred pursuant to the Scheme, other than the one disclosed. The management / shareholders of BMG have given an undertaking that the cash / bank balance and liquid investments in the books of BMG immediately prior to the implementation of the Scheme or otherwise will be utilized to meet the costs, fees, charges, expenses (including stamp duty payable, if any) in relation to the Proposed Scheme. Further, in the event that BMG is unable to bear any expenses due to lack of sufficient funds, the shareholders of BMG shall bear such expenses. Hence, no value has been attributed to any other assets or liabilities except investments held in RIL. Hence, RIL shall not bear any expenses, pursuant to the Proposed Scheme and remain value neutral to the current shareholders of RIL and shall not be adversely impacted;
 - (b) Further, I have been given to understand that the shareholders of BMG shall indemnify and hold harmless RIL for losses, liabilities, costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and

including interest and penalties discharged by RIL but would not have been borne or payable by RIL, in the form and manner as may be agreed amongst RIL and the shareholders of BMG, which may devolve upon RIL during the pendency of the Scheme or post the Scheme. Thus, as a result of the proposed amalgamation, RIL will not bear any loss, liabilities, cost, charges and expenses due to any such disputes or litigations or any other actions of BMG, being the Transferor Company. Further, the Management of the Companies have given an undertaking that the terms of preference shares, equity shareholders of BMG and investments held by BMG shall not be changed during the pendency of the Scheme. In case, the terms of the preference shares held by BMG in RIL are modified, the terms of issue of preference shares, pursuant to the Scheme shall stand modified to that effect and to the end and intent that shareholders of RIL shall not be prejudicially affected on account of any corporate actions or otherwise undertaken by BMG;

- (c) The equity shares and preference shares held by BMG in RIL will be cancelled and extinguished pursuant to the Scheme becoming effective and equal no. of shares with same terms and rights attached thereto (including but not limited to preference shares) in the Transferee Company in proportion to their holding in the Transferor Company shall be issued to the equity shareholders of the Transferor Company as a part of the Scheme. Thus, for every fresh issue of shares by RIL as a part of the Scheme, there is corresponding cancellation of an existing share (equity or preference), as held by BMG;
- (d) Further, there would be no change in the aggregate promoters' shareholding in the Transferee Company and hence, shall not affect the interest of any of the shareholders of the Transferee Company. Accordingly, valuation approaches as indicated in the format as prescribed under Para I(A)(4) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 have not been undertaken as they are not relevant with respect to the Proposed Scheme;
- (e) Upon the Scheme becoming effective, there is no additional consideration being discharged in the form of equity shares or securities or assuming liabilities of the Transferor Company by the Transferee Company. The consideration proposed to be discharged shall be in the form of same no. of shares held by the Transferor

Company in the Transferee Company. The Scheme does not envisage dilution of the holding of any one or more of the shareholders as a result of operation of the Scheme;

- (f) Post giving effect to the Scheme, 2,37,63,795 equity shares of Rs. 2 each fully paid up, representing about 64.76% of the total paid up share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up in the Transferee Company would be held directly by the shareholders of BMG in the same proportion of their shareholding (in % terms) in BMG. Thereby the beneficial shareholding would remain unchanged and the interest of the shareholders of RIL will effectively remain unchanged and shareholders interest would not be prejudicially affected;
- (g) The number of shares in fraction shall be consolidated and/or round off such fractional entitlements into whole number of shares to nearest integer such that interest of the shareholders of RIL are not prejudicially affected.

4.3. It is universally recognized that the basis of recommendation is not an exact science and that determining the Share Exchange Ratio necessarily involves selecting an approach that is suitable for the purpose. The application of any particular approach depends upon various factors including nature of its business, overall objective of the Scheme and the purpose of recommendation.

5. SHARE EXCHANGE RATIO

5.1. In the ultimate analysis, recommendation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital

position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'

- 5.2. The fair basis of Share Exchange Ratio under the Scheme would have to be determined after taking into consideration all the factors and approach mentioned hereinabove. It is however important to note that in doing so, I am not attempting to arrive at the absolute value per share of the Companies. Upon the Scheme becoming effective, shares held by BMG in RIL would be held directly by the shareholders of BMG, in the same proportion of their shareholding (in % terms) in BMG. Thereby, the beneficial shareholding of RIL would remain unchanged and the interest of the shareholders of RIL will effectively remain unchanged and shareholders interest would not be prejudicially affected, as a result of the Scheme. Hence, no relative valuation of the two entities is required to be undertaken to facilitate the determination of the Share Exchange Ratio.
- 5.3. Further, there would be no change in the aggregate promoters' shareholding in the Transferee Company and hence, shall not affect the interest of any of the shareholders of the Transferee Company for the reasons enlisted in Para 4 – Basis of Recommendation. Accordingly, valuation approaches as indicated in the format as prescribed under Para I(A)(4) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 have not been undertaken as they are not relevant with respect to the proposed Scheme. For the purpose of the current exercise, I have provided following weights to the valuation methodologies based on our basis of recommendation and other various factors relevant to the valuation exercise for recommendation of Equity Share Exchange Ratio and Preference Share Exchange Ratio:

Particulars	B M G Enterprises Limited		Rossell India Limited	
	<i>Value per Share (INR)</i>	<i>Weights</i>	<i>Value per Share (INR)</i>	<i>Weights</i>
Asset Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Relative Value per share	NA		NA	

NA = Not Adopted / Not Applicable, as provided in Para 4 – Basis of Recommendation

- 5.4. In the present facts and circumstances and based on the information and explanation provided to me, I believe that the following Share Exchange Ratio, after giving due consideration to the Management representations and the fact that upon Scheme becoming effective, 2,37,63,795 equity shares of Rs. 2 each fully paid up, representing about 64.76% of the total paid up share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up in the Transferee Company shall get cancelled and same no. of equity shares and preference shares will be issued to the equity shareholders of the Transferor company in the manner provided under the Scheme. Thereby the interest of the shareholders in RIL will effectively remain unchanged and shareholders interest would not be prejudicially affected. Further, the Scheme does not envisage dilution of the holding of any one or more of the shareholders as a result of the Scheme becoming effective, the Share Exchange Ratio as suggested by the Management of the Companies, would be fair and reasonable for the shareholders of BMG and RIL:

Particulars	Swap Ratio
For equity shareholders of B M G Enterprises Limited	2,37,63,795 fully paid-up equity shares of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company
For equity shareholders of B M G Enterprises Limited (with respect to preference shares held by BMG in RIL)	10,00,000, 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company

In the event that the New Equity shares to be issued result in fractional entitlement, the Board of director of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of New Equity shares to nearest integer. However, in no event, the number of New Equity shares to be allotted by the Transferee Company to the equity shareholders of the Transferor Company shall exceed the total number of equity shares held by the Transferor Company in the Transferee Company. Also, in no event, the number of New Preference shares to be allotted by the Transferee Company to the equity shareholders of the Transferor Company shall exceed the total number of preference shares held by the Transferor Company in the Transferee Company.

6. EXCLUSIONS AND SCOPE LIMITATIONS

- 6.1. The report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.
- 6.2. I have been informed that, in the event that either of the Companies restructure their share capital by way of share split / consolidation / issue of bonus shares / merger / demerger / reduction of share capital before the Proposed Amalgamation becomes effective, the issue of shares pursuant to the Share Exchange Ratio recommended in this Report shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 6.3. No investigation of the title of assets of the Companies has been made for the purpose of my recommendation and their claim to such rights has been assumed to be valid as represented by the management of the Companies. Therefore, no responsibility is assumed for matters of a legal nature.
- 6.4. The work does not constitute certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.
- 6.5. A valuation of this nature involves consideration of various factors based on prevailing stock market, financial, economic and other conditions including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that the Companies have drawn my attention to all material information, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on my opinion, including any significant changes that have

taken place or are likely to take place in the financial position, subsequent to the report date. I have no responsibility to update this report for events and circumstances occurring after the date of this report.

- 6.6. This Report does not look into the business / commercial reasons behind the proposed transaction or address any potential synergies to the Companies and other parties connected thereto.
- 6.7. In the course of issuing this report, I was provided with both written and verbal information. I have evaluated the information provided to me by the management of the Companies through broad inquiry, analysis and review. I assume no responsibility for any errors in the above information furnished by the management of the Companies and consequential impact on the recommendation of the Share Exchange Ratio. I do not express any opinion or offer any assurance regarding accuracy or completeness of any information made available to me.
- 6.8. The report is not, nor should it be construed as me opining or certifying any compliance with the provisions of any law, whether in India or any other country including companies, taxation and capital market related laws or as regards any legal implications or issues arising from any transaction proposed to be contemplated based on this Report.
- 6.9. Any person/party intending to provide finance/invest in the shares/businesses of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, can be done only with prior permission in writing.
- 6.10. This document has been prepared solely for the purpose of assisting the Companies, under consideration, for the purpose of recommending the Share Exchange Ratio under the Scheme in accordance to my engagement letter. Further, the fees for this engagement is not contingent upon the recommendation considering the facts and purpose of recommendation.
- 6.11. This report is prepared exclusively for the Board of Directors of the Transferor Company and the Transferee Company for the purpose of recommending the Share Exchange Ratio for the proposed Scheme and for submission to the regulatory authorities, court, tribunal and such other authorities, regulators, if required under the applicable provisions of the governing law in relation to the aforesaid Scheme of Amalgamation. Further, the fees for this engagement is not contingent upon the recommendation considering the facts and purpose of recommendation.

CA Harsh C. Ruparelia
Registered Valuer – Securities or Financial Assets

- 6.12. The decision to carry out the transaction (including consideration thereof) lies entirely with the Management / Board of Directors of the Companies and my work and finding shall not constitute recommendation as to whether or not the Management / the Board of Directors of the respective Companies should carry out the transaction.
- 6.13. By its very nature, my work cannot be regarded as an exact science, the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgement. Given the same set of facts and using the same assumptions / approach, opinions may differ due to application of the facts and assumptions / approach, formulaes used and numerous other factors. There is, therefore, no indisputable single or standard methodology / approach for arriving at my recommendation. Although the conclusions are in my opinion reasonable, it is quite possible that others may not agree.
- 6.14. Harsh Chandrakant Ruparelia, nor its employees or agents or any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the report is issued. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the report. I am not liable to any third party in relation to issue of this report. In no event, I shall be liable for any loss, damage, cost or expense arising in any way from any acts carried out by the Companies referred herein or any person connected thereto.

If you require any clarifications on the above, I would be happy to clarify the same. I am thankful to your team for kind co-operation and support during this assignment.

Thanking you,

Yours faithfully,

HARSH C Digitally signed by
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Date: 2022.07.12
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CA HARSH CHANDRAKANT RUPARELIA

REGISTERED VALUER – Securities or Financial Assets

IBBI Registration No. IBBI/RV/05/2019/11106

Membership No. ICMAI RVO/S&FA/00054

ICAI Membership No. 160171

Date: 12th July 2022

Place: Mumbai

UDIN: 22160171AMRBRL1515

CA Harsh Chandrakant Ruparelia

Registered Valuer – Securities or Financial Assets

(IBBI Registration No. IBBI/RV/05/2019/11106 and

Membership No. ICMAI RVO/S&FA/00054)

25th February 2023

To,

The Board of Directors B M G Enterprises Limited Jindal Towers, Block - "B", 4 th Floor, 21/1A/3, Darga Road, Kolkata - 700 017, West Bengal, India	The Audit Committee and the Board of Directors Rossell India Limited Jindal Towers, Block - "B", 4 th Floor, 21/1A/3, Darga Road, Kolkata - 700 017, West Bengal, India
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Sub: Addendum to the Report dated 12th July 2022 on Recommendation of Share Exchange Ratio(s) for the proposed amalgamation of B M G Enterprises Limited with and into Rossell India Limited pursuant to the Draft Scheme of Amalgamation under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 read with rules & regulations framed thereunder ("Scheme")

Dear Sirs,

I had been appointed by the management of B M G Enterprises Limited [CIN: U51909WB1978PLC256796] (hereinafter referred to as "BMG" or "the Transferor Company") and Rossell India Limited [CIN: L01132WB1994PLC063513] (hereinafter referred to as "RIL" or "the Transferee Company") to issue recommendation(s) of Share Exchange Ratio for the proposed merger of B M G Enterprises Limited with and into Rossell India Limited pursuant to the Draft Scheme of Amalgamation ("Scheme"). I refer to my Report dated 12th July 2022 on recommendation of the Share Exchange Ratio in relation to the Scheme. I understand that it is proposed to amend the Scheme, considering the following material events which occurred after the date of the report:

Page 1 of 4

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Kandivali Jyoti Park CHS Ltd,
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S.V. Road, Kandivali (West),
Mumbai – 400 067

CA Harsh C. Ruparelia
Registered Valuer – Securities or Financial Assets

- Conversion of 10,00,000, 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each of the Transferee Company held by the Transferor Company into 10,00,000 Equity Shares of Rs. 2/- each on 16th December 2022; and
- Open Market Sale of 25,000 Equity Shares of the Transferee Company by the Transferor Company on 17th November 2022 and 7,000 Equity Shares of the Transferee Company by the Transferor Company on 18th November 2022.

The above material events have been considered based on the following documents / information made available to me, by the Management of the Companies:

- (a) Unaudited Provisional Financial Statements of the Companies for the period ended 31st December 2022, as certified by the Management;
- (b) Latest shareholding pattern of the Companies;
- (c) Board Resolution of RIL dated 16th December 2022 for conversion of Compulsorily Convertible Preference Shares ("CCPS") of RIL into Equity Shares;
- (d) Draft Amended Scheme of Amalgamation (as duly certified by the Management of the Companies); and
- (e) Such other information and explanations as required and which have been provided by the Management of the Companies.

I refer to Para 4 of the Share Exchange Ratio Report dated 12th July 2022, which provided for Basis for recommendation and important factors considered for recommendation and shall also be considered for the purpose of my recommendation under this Addendum, except the following, as may be applicable:

BMG holds 2,37,63,795 equity shares of Rs. 2 each fully paid up (representing about 64.76% of the total paid up share capital of the Transferee Company) and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each fully paid up of the Transferee Company.

For the purpose of this addendum, the above shall be replaced and be read as:

BMG holds 2,47,31,795 equity shares of Rs. 2 each fully paid up, representing about 65.61% of the total paid up share capital of the Transferee Company.

As there would be no change in the aggregate promoters' shareholding in the Transferee Company considering the amended Scheme, and hence, shall not affect the interest of any of the shareholders of the Transferee Company for the reasons enlisted in Para 4 – Basis of Recommendation of the report dated 12th July 2022 and as to be replaced and read as aforementioned. Accordingly, valuation approaches as indicated in the format as prescribed under Para I(A)(4) of Annexure I of SEBI Circular no.



CA Harsh C. Ruparelia
Registered Valuer – Securities or Financial Assets

CFD/DIL3/CIR/2017/21 dated March 10, 2017 have not been undertaken as they are not relevant with respect to the proposed Scheme. For the purpose of the current exercise, I have provided following weights to the valuation methodologies based on our basis of recommendation and other various factors relevant to the valuation exercise for recommendation of Share Exchange Ratio:

Particulars	B M G Enterprises Limited		Rossell India Limited	
	Value per Share (INR)	Weights	Value per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Relative Value per share	NA		NA	

NA = Not Adopted / Not Applicable, as provided in Para 4 – Basis of Recommendation

In the present facts and circumstances and based on the information and explanation provided to me and considering the material events as described above, I believe that the following Share Exchange Ratio, after giving due consideration to the Management representations and the fact that upon Scheme becoming effective, 2,47,31,795 equity shares of Rs. 2 each fully paid up, representing about 65.61% of the total paid up share capital of the Transferee Company shall get cancelled and same no. of equity shares will be issued to the equity shareholders of the Transferor company in the manner provided under the Scheme. Thereby the interest of the shareholders in RIL will effectively remain unchanged and shareholders interest would not be prejudicially affected. Further, the Scheme does not envisage dilution of the holding of any one or more of the shareholders as a result of the Scheme becoming effective, the Share Exchange Ratio as suggested by the Management of the Companies, would be fair and reasonable for the shareholders of BMG and RIL:

Particulars	Swap Ratio
For equity shareholders of B M G Enterprises Limited	2,47,31,795 fully paid-up equity shares of Rs. 2/- each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company



CA Harsh C. Ruparelia
Registered Valuer – Securities or Financial Assets

The Share Swap Ratio Report for the equity shareholders of B M G Enterprises Limited (with respect to preference shares held by BMG in RIL) shall not be applicable, since 10,00,000, 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each of the Transferee Company have been converted into Equity Shares of the Transferee Company on 16th December 2022 and the net impact on the Share Exchange Ratio for the material events which occurred after the report date i.e., 12th July 2022 has been considered in the determining the Share Exchange Ratio.

This Addendum and our recommendation does not lead to change in basis of recommendation or any other approach adopted thereof. The change in recommendation is only on account of change in equity shares held by the Transferor Company in the Transferee Company, post the date of this report.

This letter is in furtherance to our report dated 12th July 2022 and shall be read in conjunction with the report. All parts of the report including terms and scope limitations thereof shall be applicable to this letter.

Thanking you,
Yours faithfully,



CA HARSH CHANDRAKANT RUPARELIA

REGISTERED VALUER – Securities or Financial Assets

IBBI Registration No. IBBI/RV/05/2019/11106

Membership No. ICMAI RVO/S&FA/00054

ICAI Membership No. 160171

Date: 25th February 2023

Place: Mumbai

UDIN: 23160171BGQNYF9183



SEBI REGN. NO. INM 000010163

Strictly Private & Confidential

Dated: July 12, 2022

<p>The Board of Directors</p> <p>B M G Enterprises Limited</p> <p>1st Floor, DCM Bldg, 16 Barakhamba Road, New Delhi – 110 001, India</p>	<p>The Audit Committee and the Board of Directors</p> <p>Rossell India Limited</p> <p>Jindal Towers, Block – "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India</p>
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Dear Members of the Board:

Sub: Fairness opinion towards the proposed Scheme of Amalgamation between BMG Enterprises Limited and Rossell India Limited and their respective Shareholders

We refer to our letter of engagement dated 6th July, 2022 ("**LoE**") whereby Fedex Securities Private Limited ("**Fedex**") is *inter alia* engaged to provide a fairness opinion (*as defined*) on the Share Exchange Ratio (defined herein) recommended by the Valuer (defined herein) through report dated 12th July, 2022 issued by C.A. Harsh Chandrakant Ruparelia, Registered Valuer bearing registration number IBBI/RV/05/2019/11106 ("**Valuer**") for the proposed amalgamation of BMG Enterprises Limited with Rossell India Limited ("**Proposed Amalgamation**") as a part of a Scheme of Amalgamation (as defined below) under the provisions of Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder ("**Proposed Scheme**"). We understand that the Proposed Scheme will be considered by the Board of Directors of the Transferor Company.

Company Background and Purpose

BMG ENTERPRISES LIMITED ("**BMG**" or "**Transferor Company**") is an unlisted public limited company, incorporated on June 06, 1978, under the provisions of the Companies Act, 1956, having its registered office situated at 1st Floor, DCM Bldg, 16 Barakhamba Road, New Delhi – 110 001, India. We have been given to understand that the Transferor Company has filed an application for shifting its registered office from the National Capital Territory of Delhi to the State of West Bengal with the proposed registered office address at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India.



BMG is primarily engaged in holding investments. BMG holds 2,37,63,795 equity shares of Rs. 2/- each fully paid up, representing about 64.76% of the total paid up equity share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each ("CCPS") fully paid up in the Transferee Company.

Rossell India LIMITED ("RIL" or "Transferee Company") is a listed public limited company, incorporated on June 10, 1994, under the provisions of the Companies Act, 1956, having its registered office situated at Jindal Towers, Block - "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India. The equity shares of the Transferee Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (collectively "Stock Exchanges"). The CCPS of the Transferee Company not listed on any Stock Exchanges in India.

RIL is primarily engaged in the business activities of cultivation, manufacture and selling of Bulk Tea. RIL owns Tea Estates in Assam. The aerospace and defence division of RIL is engaged in the business of providing interconnect solutions and Electrical panel assemblies, Test Solutions, and after market services in aerospace and defence sector.

For the purpose of the proposed amalgamation of the Transferor Company with the Transferee Company ("Proposed Scheme"), the Transferor Company and the Transferee Company has appointed Valuer to determine the Share Exchange Ratio (as defined below) and has in terms of the LoE the Transferee Company has requested Fedex Securities Private Limited to examine the Valuation Report issued by the Valuer and other related information provided by the Company and issue our independent opinion as to the fairness of the Share Exchange Ratio ("Fairness Opinion") as per the requirements of the relevant SEBI circulars ("SEBI Circulars"). This Fairness Opinion is being provided solely to the Board of Directors of the Transferor Company and Transferee Company and strictly within this context and is not intended to represent the valuation at which such transaction is carried out, and does not address the Transferee Company or Transferor Company (or any other party's) underlying business decision to proceed with or effect any commercial decisions relating to the Proposed Scheme.

As per the Valuation Report dated July, 12th 2022, the Valuers have recommended the following Share Exchange Ratio for equity shareholders of BMG Enterprises Limited as under:

2,37,63,795 (Two Crores Thirty-Seven Lakhs Sixty-Three Thousand Seven Hundred Ninety-Five) fully paid-up equity shares of Rs. 2/- each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of BMG in the proportion of their holding in BMG.

AND

10,00,000, 0.01% Compulsorily Convertible Preference Shares of Rs. 10 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of BMG in proportion of their holding in BMG.

The Transferor Company, as on the date of the Share Exchange Ratio Report, holds 2,37,63,795 (Two Crores Thirty-Seven Lakhs Sixty-Three Thousand Seven Hundred Ninety-Five) fully paid-up equity shares of Rs. 2/- each in the Transferee Company and 10,00,000 (Ten Lakhs), 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each in the Transferee Company allotted vide resolution of the Board dated June 27, 2022.

Upon the Effective Date and pursuant to the Proposed Amalgamation of the Transferor Company with the Transferee Company, the entire shareholding of the Transferee Company held by the Transferor Company will stand cancelled and the Transferee Company would issue new equity shares and CCPS to the shareholders of the Transferor Company, in proportion to their holding in the Transferor Company.



(Note: There are no changes to the terms of CCPS as approved vide resolution of the equity shareholders of the Transferee Company on 21st April, 2022. Accordingly, upon conversion each CCPS holders would receive One (1) Equity Share of Rs. 2/- each of the Company fully paid up for every one (1) CCPS of Rs.10 each.)

Pursuant to the Proposed Amalgamation, there would be no change in the paid-up share capital of the Transferee Company. As mentioned above, post-amalgamation the shareholders of the Transferor Company will hold the same number of equity shares and CCPS as the Transferor Company was holding in the Transferee Company. Consequently, there is no impact on the shareholding pattern of the Transferee Company.

All terms not specifically defined in this Fairness Opinion Report shall carry the same meaning as in the Proposed Scheme.

For avoidance of doubt, this Fairness Opinion is not to be construed as financial advice in relation to the sale of, or subscription for, any shares in the Transferor Company and/or the Transferee Company to any person.

Brief Background of the Proposed Scheme:

BMG holds 2,37,63,795 equity shares of Rs. 2/- each fully paid up, representing about 64.76% of the total paid up share capital of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10/- each fully paid up in the Transferee Company.

It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the shareholders of the Transferor Company viz. the promoters of the Transferor Company (who are also the promoters of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

The merger will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers. The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company. The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger. There would also be no change in the financial position of the Transferee Company. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing this Scheme and matters incidental shall be borne by the Transferor Company and / or its shareholders.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Proposed Scheme for the transfer and vesting of all the assets of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 read with Section 66 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).

Proposed Scheme

Amalgamation of the Transferor Company with the Transferee Company

Upon the Proposed Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of Proposed Scheme, the Transferee Company shall issue and allot, on a proportionate basis to each shareholder of the Transferor Company, or to their respective heirs, executors, administrators or other legal representatives or the successors in-title, as the case may be, 2,37,63,795 fully paid-up equity share of Rs. 2/- (Indian Rupees Two) each



of the Transferee Company and 10,00,000 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each fully paid up in the Transferee Company, in the manner provided in Proposed Scheme.

As per Proposed Scheme, upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed.

Source of Information

For the said examination and for arriving at the opinion set forth below, we have received:

1. Share Exchange Ratio Report dated July 12th, 2022 issued by Valuer;
2. Draft of the Proposed Scheme;
3. Historical financial information for the year ended 31 March 2022 of the Transferor Company and the Transferee Company;
4. Management Representation Letter;
5. Necessary clarifications, explanations and information from the Valuers; and
6. Necessary explanations and information from the representatives of the Transferor Company and the Transferee Company;
7. Other information as available in public domain.

Limitation of Scope and Review

This Fairness Opinion is confidential and is being provided solely for the benefit of the Board of Directors of the Transferee Company, and shall not confer rights or remedies upon, any shareholder of the Transferor Company or the Transferee Company, or any other person other than the members of the Board of Directors of the Transferee Company, or be used for any other purpose. This Opinion may not be used or relied upon by nor is it issued for the benefit of any third party for any purpose whatsoever or disclosed, referred to or communicated by you (in whole or in part) except with our prior written consent in each instance. Provided however, this opinion may only be disclosed to the Transferee Company or as may be required under any applicable law in India and may be kept open for inspection by shareholders of RIL, but we take no responsibility or liability for or arising out of any such disclosure. We specifically disclaim any responsibility to any third party to whom this Letter may be shown or who may acquire a copy of this Letter.

Each recipient acknowledges that some or all of the information contained in the Fairness Opinion is or may be inside information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each recipient undertakes not to use any information contained in the opinion for any unlawful purpose.

In this Fairness Opinion, we have assumed and relied upon, without independent verification, the accuracy and completeness of all information supplied or otherwise made available to us either in verbal or written form, discussed with or reviewed by or for us, or publicly available. We have been given to understand that all information required by us that was relevant for the purpose of our exercise was disclosed to us. We have not conducted any evaluation or appraisal of any assets or liabilities of the Transferor Company or the Transferee Company nor have we evaluated the solvency or fair value of the Transferor Company or the Transferee Company, under any laws relating to bankruptcy, insolvency or similar matters. In addition, we have not assumed any obligation to conduct any physical inspection of the properties or facilities of the Transferor Company or the Transferee Company.

This Fairness Opinion does not factor overall economic environment risk, material adverse change and other risks and is purely based on the information and representations provided to us.

This Fairness Opinion express no view as to, and our Opinion does not address, the underlying business decision of the Transferor Company and the Transferee Company to effect the Proposed Scheme or the



merits of the Proposed Scheme. Our Opinion does not constitute a recommendation to any shareholder or creditor of the Transferor Company and the Transferee Company as to how such shareholder or creditor should vote on the Proposed Scheme or any matter related thereto. We are not expressing any opinion herein as to the prices at which the shares of the Transferee Company will trade following the announcement or consummation of the Proposed Scheme or as to the prices at which the shares of the Transferor Company may be transacted.

This Fairness Opinion is not and does not purport to be an appraisal or otherwise reflective of the prices at which any business or securities actually could be ideally bought or sold by any party and are not indicative of actual value or actual future results that might be achieved, which value may be higher or lower than those indicated.

This Fairness Opinion is necessarily based on financial, economic, market and other conditions as in effect on the date of this issuing the Fairness Opinion, and the information made available to us as of, the date hereof, including the capital structure of the Transferor Company and the Transferee Company. We understand the business projections shared by the Companies have factored in the potential impact of COVID-19 pandemic. Hence, we have not considered any additional impact of COVID-19 pandemic on the cash flows of the Transferor Company. It should be understood that subsequent developments may affect this Opinion and that we do not have any obligation to update, revise, or reaffirm this Fairness Opinion.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed good and marketable and we would urge the Transferor Company and the Transferee Company to carry out an independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment. We have further assumed that the Proposed Scheme would be carried out in compliance with applicable laws, rules and regulations.

We and our affiliates in the past five years may have provided services to the Transferor Company and the Transferee Company and their affiliates unrelated to the Proposed Scheme for which services we and such affiliates have received and expect to receive compensation, including, without limitation as creditors and as valuers for the purchase/sale of assets/businesses/securities by/to RIL (as the case may be).

In the ordinary course of business, we and our affiliates may actively trade or hold securities of companies that may be the subject matter of this Proposed Scheme for our own account or for the account of our customers and, accordingly, may at any time hold long or short position in such securities and may vote at any general meeting as they deem fit. In addition, we and our affiliates maintain relationships with the Transferee Company, the Transferor Company and their respective affiliates

The laws of India govern all matters arising out of or relating to this Fairness Opinion (including, without limitation, its interpretation, construction, performance, and enforcement).

With respect to any suit, action or any other proceedings relating to this Fairness Opinion the courts of competent jurisdiction in Mumbai, India shall have exclusive jurisdiction.

For avoidance of any doubts, it is clarified that fees payable to Fedex Securities Private Limited by the Transferor Company/shareholders of the Transferor Company are not in any way contingent upon nature of opinion provided to the Transferee Company.

Distribution of this Fairness Opinion

The Fairness Opinion is addressed to the Board of Directors of the Transferor Company and Transferee Company (in its capacity as such) solely for the purpose of providing them with an independent opinion on the fairness of the Valuation as determined by the Valuer and for the purpose of submission to the



Stock Exchanges, National Company Law Tribunal along with the application/petition for the Proposed Scheme and such other regulatory authorities under SEBI Circular and /or Companies Act, 2013. The Fairness Opinion shall not be disclosed or referred to publicly or to any third party, other than as required by Indian law (in which case you would provide us a prior written intimation) without our prior written consent. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. In no circumstances however, will Fedex or its directors, officers, employees and controlling persons of Fedex accept any responsibility or liability including any pecuniary or financial liability to any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

Conclusion

Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, Share Exchange Ratio as recommended by the Valuer, is fair and reasonable to the Equity Shareholders of the Transferor Company, from a financial point of view.

Yours truly,

For **Fedex Securities Private Limited**



Uday Nair

Director

DIN: 03431884

Place: Mumbai

**FEDEX
SECURITIES
PVT LTD**

(Formerly Known as Fedex Securities Limited)
MERCHANT BANKING DIVISION



B7 Wing, Jay Chambers,
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CIN : U67120MH1996PTC102140

SEBI REGN. NO. INM 000010163

Strictly Private & Confidential

February 25, 2023

<p>The Board of Directors</p> <p>B M G Enterprises Limited</p> <p>1st Floor, DCM Bldg, 16 Barakhamba Road, New Delhi – 110 001, India</p>	<p>The Audit Committee and the Board of Directors</p> <p>Rossell India Limited</p> <p>Jindal Towers, Block – "B", 4th Floor, 21/1A/3, Darga Road, Kolkata – 700 017, West Bengal, India</p>
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Dear Members of the Board:

Sub: Addendum to our fairness opinion towards the proposed Scheme of Amalgamation between BMG Enterprises Limited and Rossell India Limited and their respective Shareholders dated July 12, 2022

We refer to our letter of engagement dated July 6, 2022 ("**LoE**") whereby Fedex Securities Private Limited ("**Fedex**" or "**we**" or "**us**") is *inter alia* engaged to provide a fairness opinion (*defined herein below*) on the Share Exchange Ratio (*defined herein below*) recommended by the Valuer (*defined herein below*) through report dated 12th July, 2022 issued by C.A. Harsh Chandrakant Ruparelia, Registered Valuer bearing registration number IBB/RV/05/2019/11106 ("**Valuer**") for the proposed amalgamation of BMG Enterprises Limited with Rossell India Limited ("**Proposed Amalgamation**") as a part of a Scheme of Amalgamation under the provisions of Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder ("**Proposed Scheme**").

We understand that subsequent to the approval of the Proposed Scheme by the Board, the following material event has occurred:

- a) Open market sale of 25,000 Equity Shares of the Transferee Company by the Transferor Company on November 17, 2022 and 7,000 Equity Shares of the Transferee Company by the Transferor Company on November 18, 2022 ("**Transfer**"); and



- b) Conversion of 10,00,000, 0.01% Compulsorily Convertible Preference Shares of Rs. 10/- each of the Transferee Company held by the Transferor Company into 10,00,000 Equity Shares of Rs. 2/- each on December 16, 2022 ("**Conversion**").

We have been made to understand that the Transferor Company and Rossell India Limited, the Transferee Company is proposing to amend the Proposed Scheme to give effect to the aforesaid material events ("**Revised Scheme**"). Accordingly, the Companies have requested the Valuer to issue an addendum to their report dated July 12, 2022 giving effect to the aforesaid material events and consequently the valuer has issued an addendum to their report dated July 12, 2022 on February 25, 2023 ("**Amended Report**").

Scheme and Purpose

It is proposed to amalgamate the Transferor Company into the Transferee Company by this Revised Scheme, after incorporating the aforesaid changes in accordance with the provisions of Sections 230-232 read with Section 66 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof). We have been made to understand that there is no change to the Scheme other than as mentioned herein above.

We have been given to understand by the management / shareholders of the Transferor Company that the cash / bank balance and liquid investments in the books of the Transferor Company immediately prior to the implementation of the Scheme or otherwise will be utilized to meet the costs, fees, charges, expenses (including stamp duty payable, if any) in relation to the Revised Scheme.

For the purpose of the Proposed Amalgamation of the Transferor Company with the Transferee Company, the Transferor Company and the Transferee Company has now obtained the Amended Report from the Valuer determining the Share Exchange Ratio (*defined herein below*) and has in terms of the LoE, the Companies has requested Fedex Securities Private Limited to examine the Amended Report issued by the Valuer and other related information provided by the Company and modify our earlier report dated July 12, 2022 and issue our independent opinion on the Amended Report as to the fairness of the Share Exchange Ratio ("**Amended Fairness Opinion**") as per the requirements of the relevant SEBI circulars ("**SEBI Circulars**"). This Fairness Opinion is being provided solely to the Board of Directors of the Transferor Company and Transferee Company and strictly within this context and is not intended to represent the valuation at which such transaction is carried out, and does not address the Transferee Company or Transferor Company (or any other party's) underlying business decision to proceed with or effect any commercial decisions relating to the Proposed Scheme.

As per the Amended Report dated February 25, 2023, the Valuers have recommended the following share exchange ratio ("Share Exchange Ratio**") for equity shareholders of BMG Enterprises Limited as under:**

"2,47,31,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company".



Upon the Effective Date and pursuant to the Proposed Amalgamation of the Transferor Company with the Transferee Company, the entire shareholding of the Transferee Company held by the Transferor Company will stand cancelled and the Transferee Company would issue new equity shares to the shareholders of the Transferor Company, in proportion to their holding in the Transferor Company.

All terms not specifically defined in this Fairness Opinion Report shall carry the same meaning as in the Proposed Scheme.

For avoidance of doubt, this Fairness Opinion is not to be construed as financial advice in relation to the sale of, or subscription for, any shares in the Transferor Company and/or the Transferee Company to any person.

Brief Background of the Proposed Scheme:

1. Amended Report dated February 25, 2023 issued by the Valuer;
2. Draft of the Proposed Scheme and the Revised Scheme (as duly certified by the Management of the Companies);
3. Historical financial information for the year ended March 31, 2022 of the Transferor Company and the Transferee Company and limited review accounts as on December 31, 2022 of the Transferor Company and the Transferee Company;
4. Unaudited Provisional Financial Statements of the Companies for the period ended December 31, 2022, as certified by the Management;
5. Shareholding pattern of the Transferor Company and the Transferee Company as on December 31, 2022;
6. Management Representation Letter;
7. Board Resolution of the Transferee Company dated December 16, 2022 for conversion of CCPS of the Transferee Company into Equity Shares;
8. Necessary clarifications, explanations and information from the Valuers; and
9. Necessary explanations and information from the representatives of the Transferor Company and the Transferee Company;
10. Other information as available in public domain.

Conclusion

Based on and subject to the foregoing, we are of the opinion that, as of the date hereof, Share Exchange Ratio as recommended by the Valuer, is fair and reasonable to the Equity Shareholders of the Transferor Company, from a financial point of view.

This Addendum Fairness Opinion and our recommendation do not lead to change in basis of recommendation or any other approach adopted thereof. The change in recommendation is only on account of change in equity shares held by the Transferor Company in the Transferee Company, post the date of our Fairness Opinion dated July 12, 2022.

This Amended Fairness Opinion is in furtherance to our Fairness Opinion dated July 12, 2022 and shall be read in conjunction with the Fairness Opinion. All parts of the Fairness Opinion including terms and scope limitations thereof shall be applicable to this Amended Fairness Opinion.



Yours truly,

For **Fedex Securities Private Limited**



Uday Nair

Director

DIN: 03431884

Place: Mumbai

THIS IS AN ABRIDGED PROSPECTUS PERTAINING TO BMG ENTERPRISES LIMITED WHICH IS BEING ISSUED IN COMPLIANCE WITH THE PROVISIONS OF SEBI CIRCULAR NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 4, 2022 READ WITH MASTER CIRCULAR BEARING NUMBER SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 AND SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 DATED NOVEMBER 23, 2021 (“SEBI CIRCULARS”) ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI).

THIS HAS BEEN ISSUED IN RELATION TO THE SCHEME OF AMALGAMATION BETWEEN BMG ENTERPRISES LIMITED (“**THE TRANSFEROR COMPANY**”) AND ROSSELL INDIA LIMITED (“**THE TRANSFEREE COMPANY**”) AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230-232 READ WITH SECTION 66 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“**ACT**”) AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS “**SCHEME**”).

THIS DISCLOSURE DOCUMENT CONTAINS 7 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This Disclosure Document has been prepared in the format specified for the Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable.

Nothing in this Disclosure Document constitutes an offer or an invitation by or on behalf of Rossell India Limited and Rossell Techsys Limited to subscribe for or purchase any of the securities.

Capitalised terms not defined herein shall have the same meaning as defined in the Notice.

BMG ENTERPRISES LIMITED

Corporate Identity Number (CIN): U51909WB1978PLC256796

Registered Office: Jindal Towers, Block B, 4th Floor 21/1A/3, Darga Road Kolkata -700017,
West Bengal, India.

Tel: 033 22874794

Contact Person: Nirmal Kumar Khurana

E-mail: bmgenterprises2018@gmail.com

PROMOTERS OF THE COMPANY

The Promoters of the Company are Harsh Mohan Gupta, Vinita Gupta, Rishab Mohan Gupta, H.M. Gupta & Sons (HUF), Samara Gupta, BMG Investments Private Limited and Harvin Estates Private Limited

SCHEME DETAILS AND PROCEDURE

The proposed Scheme of Arrangement is presented under Sections 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, in the manner provided for in the Scheme thereof.

The Scheme inter-alia provides for the following: -

- (a) Amalgamation of BMG Enterprises Limited (“**BMG**” or “**The Transferor Company**” or “**The Company**” or “**Our Company**”) with Rossell India Limited (“**RIL**” or “**Transferee Company**”) and the consequent issuance of equity shares by the Transferee Company to all the shareholders of the Transferor Company pursuant to sections 230-232 read with section 66 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) read with Section 2(41A) and other relevant provisions of the IT Act (“**Demerger**”).
- (b) Reduction and cancellation of the equity shares of the Transferee Company held by the Transferor Company shall stand cancelled;
- (c) On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013; and
- (a) Listing of the equity shares issued by the Transferor Company to the shareholders of the Transferee Company on the Stock Exchanges (*as defined hereinafter*) along with various other matters consequential or otherwise integrally connected therewith.

The proposed Scheme was approved by the Board of Directors of the Transferor Company on July 12, 2022 and by the Board of Directors of the Transferee Company on July 12, 2022. The modified Scheme was approved by both the Companies on February 25, 2023.

Upon the Scheme becoming effective, with effect from the Appointed Date, the Transferor Company including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, loans and advances, licenses, permits, approvals, lease, tenancy rights; titles, permissions, if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date shall stand transferred to and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

Upon this Scheme becoming effective and' upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity, credited as fully paid up, to the extent indicated below, to the members of Transferor Company holding fully paid-up equity shares of Transferor Company and whose names appear in the register of members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion.

“2,47,31,795 fully paid up equity share of Rs 2 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company”.

On the Scheme becoming effective, the equity shares of the Transferee Company held by the Transferor Company shall stand cancelled. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company.

Details about the basis for the Share Entitlement Ratio, the valuation report and fairness opinion are available on the websites of the Rossell India Limited i.e. www.rossellindia.com, BSE Limited i.e., www.bseindia.com and The National Stock Exchange of India Limited i.e., www.nseindia.com (“Stock Exchanges”).

The equity shares issued and allotted by the Transferee Company to the shareholders of the Transferor Company, pursuant to the Scheme, will be listed and/ or admitted to trading on the Stock Exchanges, subject to entering into such arrangements and giving such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for the Transferee Company, for complying with the formalities / requirements of the Stock Exchange(s).

PROCEDURE:

Pursuant to the provisions of the Scheme, post receipt of approval of the National Company Law Tribunal (“NCLT”) and upon certified copies of the sanction order(s) of the NCLT approving the Scheme being filed with the Registrar of Companies, the Transferee Company shall issue and allot equity shares to Shareholders of the Transferor Company, as on the Record Date, as per the Share Exchange Ratio set out in the Scheme. The Transferor Company shall be making necessary application for listing of the equity shares allotted pursuant to the Scheme. The equity shares are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited. No further steps or actions would be required to be undertaken by the shareholders of the Transferor Company to be entitled to receive equity shares of the Transferee Company.

Further, the procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the Company. Hence, the procedure with respect to General Information Document (GID) is not applicable and this Disclosure Document must be read accordingly.

ELIGIBILITY FOR THE ISSUE

This Disclosure Document is prepared in compliance with SEBI Circulars and in accordance with the Abridged Prospectus as provided in Part E of Schedule VI of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

The Equity Shares sought to be listed are proposed to be allotted by the Transferee Company to the Shareholders of the Transferor Company pursuant to the Scheme to be sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013 read with Section 66 and other applicable provisions of the Companies Act, 2013, the SEBI Circulars and subject to and in

accordance with the terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the regulations 26(1) or 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable.

INDICATIVE TIMETABLE

This Disclosure Document is filed pursuant to the Scheme and is not an offer to public at large. Given that the Scheme requires approval of various regulatory authorities including and primarily, the National Company Law Tribunal, the time frame cannot be established with certainty.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors mentioned in this Disclosure Document carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Transferee Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or the Document. Specific attention of the investors is invited to the section titled “Scheme Details and Procedure” beginning on page 1 and section titled “Internal Risk Factors” beginning on page 6 of this Disclosure Document.

REGISTERED MERCHANT BANKER

Price Information of Book Running Lead Manager – Not Applicable

The details of the Registered Merchant Banker appointed under the SEBI Circulars is as follows:

Name of Registered Merchant Banker and contact details (telephone and email id)	FEDEX SECURITIES PRIVATE LIMITED Address: B7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai 400057, Maharashtra, India. Tel No: +91 81049 85249; Fax No: 022 2618 6966; Email: mb@fedsec.in ; Website: www.fedsec.in ; Contact Person: Saipan Sanghvi
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STATUTORY AUDITOR AND OTHER DETAILS

Name of Statutory Auditor & contact details	S.R. DINODIA & Co. LLP. Address: K-39, Connaught Place, New Delhi 110001 Tel No.: 011-4370-3300 Firm Reg. No.: 001478N/N500005 Email Id: srdinodia@srdinodia.com Contact Person: Sandip Dinodia
Name of Syndicate Members	Not Applicable
Name of the Registrar to the Issue and contact details (telephone and email id)	Not Applicable
Name of the Credit Rating Agency and the rating or grading obtained	Not Applicable
Name of Debenture Trustee	Not Applicable
Self-Certified Syndicate Banks	Not Applicable
Non-Syndicate Registered Brokers	Not Applicable

PROMOTERS OF THE COMPANY

The Promoters of the Company are Harsh Mohan Gupta, Vinita Gupta, Rishab Mohan Gupta, H.M. Gupta & Sons (HUF), Samara Gupta, BMG Investments Private Limited and Harvin Estates Private Limited.

For the complete profile of Harsh Mohan Gupta along with the details of his experience and educational qualifications, refer to the heading “**Board of Directors**” on page 4 of this disclosure document.

For the complete profile of Vinita Gupta along with the details of his experience and educational qualifications, refer to the heading “**Board of Directors**” on page 4 of this disclosure document.

Rishab Gupta (DIN: 05259454) is a graduate from Suffolk University, Boston, USA. He has been associated with Subsidiary Company for the past 15 years and actively involved in the business of Engineering and Manufacturing in Aerospace and Defense as well as international business development of Rossell Techsys Division of the Subsidiary Company.

Samara Gupta (DIN: 09801530)has completed B.Sc. in Maths and Economics from Warwick University, United Kingdom and M.Ed. in Special Education from Lesley University, United States of America. She has been a Vice-President of Subsidiary Company. Samara handles the CSR activities of the Subsidiary Company.

BUSINESS OVERVIEW AND STRATEGY

Company Overview: BMG Enterprises Limited bearing corporate identity number U51909WB1978PLC256796, is an unlisted public limited company having its registered office situated at Jindal Towers, Block B, 4th Floor 21/1A/3, Darga Road Kolkata West Bengal 700 017 India. The Company is primarily engaged in holding investments. The Company holds 2,47,31,795 Equity Shares of Rs. 2/- each fully paid up, representing about 65.61% of the total paid-up share capital of the Rossell India Limited. The Equity Shares of the Company are currently not listed on any Stock Exchange(s).

Product/Service Offering: Not Applicable. Since, upon the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.

Revenue segmentation by product/service offering: Not Applicable, The Company is primarily engaged in holding investments. The Company holds 2,47,31,795 Equity Shares of Rs. 2/- each fully paid up, representing about 65.61% of the total paid up share capital of the Rossell India Limited.

Geographies Served: India

Revenue segmentation by geographies: Not Applicable

Key Performance Indicators:

Particulars	(Rs. In lakhs)		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	198.02	123.15	173.12
Profit before Tax	1238.04	115.34	159.63
Profit before Tax margin (%)	95.68	93.66	92.21
Profit After Tax	987.99	88.00	115.39
Profit After Tax margin (%)	76.35	71.46	66.65
Earning per share			
Basic (Rs./share)	1070.04	95.31	124.97
Diluted (Rs./share)	1070.04	95.31	124.97
Book value (Rs./share)	4058.65	2988.61	2893.30
Net worth	3747.43	2759.44	2671.44

Client Profile or Industries Served: Not Applicable

Revenue segmentation in terms of top 5/10 clients or Industries: Not Applicable

Intellectual Property, if any: Not Applicable

Market Share: Not Applicable

Manufacturing plant, if any: Not Applicable

Employee Strength: Nil as on June 30, 2023

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent / Whole time/ Executive/ Nominee)	Experience and Educational qualifications	Other Directorship
1.	Harsh Mohan Gupta	Managing Director	Harsh Mohan Gupta (DIN: 00065973) is B.A. (Hons.). He has been a Director of the Company and of the subsidiary company, Rossell India Limited (RIL) since inception.	Indian Companies: (a) Rossell India Limited (b) Luxury Agro-Development Private Limited (c) Rossell Techsys Limited (d) Nyati Retreat Private Limited (e) BMG Investments Private Limited (f) Harvin Estates Private Limited Foreign Companies: Nil
2.	Vinita Gupta	Director	Vinita Gupta (DIN: 00065994) has completed her graduation from Richmond University, United Kingdom. She is Executive Vice-President of the Subsidiary Company and she is the Director of the Company since June 01, 2014.	Indian Companies: (a) Rossell Techsys Ltd (b) BMG Investments Private Limited (c) Harvin Estates Private Limited Foreign Companies: Nil
3.	Nirmal Kumar Khurana	Director	Nirmal Kumar Khurana (DIN: 00123297) is a Commerce as well as Law Graduate from the University of Calcutta. He is Fellow Member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost Accountants of India.	Indian Companies: (a) Rossell India Limited Foreign Companies: Nil

OBJECTS OF THE ISSUE/ RATIONALE OF THE SCHEME

The rationale for the Scheme is, *inter alia*, as follows:

The Transferor Company holds equity shares of the Transferee Company. It is proposed to amalgamate the Transferor Company into the Transferee Company pursuant to the Scheme, as a result of which the shareholders of the Transferor Company viz. the promoters of the Transferor Company (who are also the promoters of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, *inter alia*, accrue to the Companies:-

- The merger will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company.
- The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the merger. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the promoters directly;
- Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve

on the Transferee Company on account of this amalgamation

Details of means of finance: Not Applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issue, if any, of the Company in the preceding 10 years: Not Applicable

Terms of Issuance of convertible Security, if any: Not Applicable

Name of monitoring agency, if any: Since there is no issue of equity shares to the public at large except to the existing shareholders of Demerged Company, pursuant to the Scheme, the appointment of a monitoring agency is not required.

Pre-scheme Shareholding Pattern of the Resulting Company:

Equity Shares

Sr. No.	Particulars	Pre-Scheme number of shares	Pre-Scheme % Holding
1.	Promoter & Promoter Group	92,332	100.00
2.	Public	NIL	NIL
	Total (A+B)	92,332	100.00

Number/ amount of equity shares proposed to be sold by selling shareholders, if any: **Not Applicable**

RESTATED AUDITED FINANCIALS

Particulars	(Rs. In Lakhs)		
	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	198.02	123.15	173.12
Total income	1293.99	124.70	173.14
Net Profit / (Loss) before tax and extraordinary items	1238.04	115.34	159.63
Net Profit / (Loss) after tax and extraordinary items	987.99	88.00	115.39
Equity Share Capital	92.33	92.33	92.33
Other Equity	3655.10	2667.11	2579.11
Net worth	3747.43	2759.44	2671.44
Basic & diluted earnings per share (Rs.)	1070.04	95.31	124.97
Return on net worth (%)	26.36	3.19	4.32
Net Asset Value Per Share (Rs)	4058.65	2988.61	2893.30

INTERNAL RISK FACTORS

- The proposed Scheme is subject to the approval of the NCLT, Kolkata and Shareholders and Creditors of the Transferor Company and Rossell India Limited. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the Scheme will not be achieved.
- Any non-compliance with the regulatory laws of the land may lead to penalties and fines.
- Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Crores)

Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	11	Nil	Nil	2	0.99*
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	5	Nil	Nil	Nil	0.01*
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	Nil
Against Promoters	Nil	18	Nil	Nil	Nil	0.05*
Subsidiaries						
By Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	3	Nil	Nil	1	1160.08

**To the extent quantifiable*

The said details of outstanding litigations are as on 21st July 2023

B. Brief details of top 5 material outstanding litigations against the company and amount involved-

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
Nil				

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any

Nil

D. Brief details of outstanding criminal proceedings against Promoters

Nil

DECLARATION BY THE RESULTING COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.

For BMG Enterprises Limited

Harsh Mohan Gupta
Managing Director
DIN: 00065973



Date: July 24, 2023

To,
Board of Directors,
BMG ENTERPRISES LIMITED,
Jindal Towers, Block B, 4th Floor 21/1A/3,
Darga Road Kolkata -700017,
West Bengal, India.

Subject: - Certificate on adequacy and accuracy of Disclosure in the format of “Abridged Prospectus” (“Disclosure Document”) pursuant to SEBI Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 read with master circular bearing number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (“SEBI Circulars”) issued by the Securities and Exchange Board of India (SEBI) dated November 23, 2021 with respect to the Scheme of Amalgamation between BMG Enterprises Limited (The “Transferor Company”) and Rossell India Limited (“The Transferee company”) and their respective Shareholders under sections 230 to 232 read with section 66 (to the extent applicable) and other applicable provision of the Companies act, 2013 (“Act”) Companies Act, 1956 and rules framed thereunder (hereinafter referred to as “Scheme”).

Dear Sir/Madam,

We, Fedex Securities Private Limited (“*We*” or “*Fedex*”), SEBI Registered Category – I, Merchant Banker have been appointed by Transferor Company for the purpose of preparing and certifying the adequacy and accuracy of the disclosures made in the Abridged Prospectus / Disclosure Document dated July 24, 2023 of Resulting company in compliance Annexure 1, Paragraph 3(a) of Sebi Circular No. SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 read with Master Circular bearing number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (“*SEBI Circulars*”) issued by Securities and Exchange Board of India (SEBI) in relation to the captioned Scheme, state and confirm as follows:

We have relied on the information, undertakings, certifications, documents and explanations provided to us by Transferor Company, its Directors and its Promoters while finalizing the Abridged Prospectus (Disclosure Document) of the subject captioned;

On the basis of the above, we hereby confirm that:

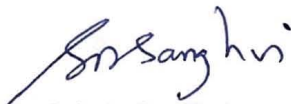
The information contained in the Disclosure Document is prepared in the format prescribed for Abridged Prospectus provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, as amended, which will be circulated to the Members of Transferee Company at the time of seeking their consent in the explanatory statement in the Notice in accordance with the SEBI circular is accurate and adequate.



Report Limitations:

1. This Certificate is a specific purpose certificate issued in terms of and compliance with SEBI Circulars and hence it should not be used for any other purpose or transaction.
2. We express no opinion and accordingly accepts no responsibility for or as to the price at which the equity shares of the Company will trade following the Scheme.
3. This Certificate contains the certification on adequacy and accuracy of disclosure of information in the Abridged Prospectus (Disclosure Document) pertaining to the transferor Company, and is not an opinion on the proposed Scheme or its success. Further, this certificate does not guarantee the implication/approval of the proposed Scheme.
4. To the extent of our scope of work, we have relied on the information furnished and explanations provided to us and have not carried out our independent audit of the financial and legal information. Hence, we are unable to express our opinion on the fairness of the financial and legal information.
5. We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.

For Fedex Securities Private Limited



Saipan Sanghvi
AVP
Place: Mumbai



DCS/AMAL/PB/IP/2764/2023-24

May 22, 2023

The Company Secretary,
ROSSELL INDIA LTD
21/1A/3, Jindal Towers, Block B, 4th Floor, Darga Road,
Kolkata, West Bengal, 700017

Dear Sir,

Sub: Observation Letter regarding the Scheme of Amalgamation between BMG Enterprises Ltd and Rossell India Ltd their respective shareholders

We are in receipt of the Scheme of Amalgamation between BMG Enterprises Ltd and Rossell India Ltd and their respective shareholders filed by Rossell India Ltd as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 22, 2023, has inter alia given the following comment(s) on the Scheme of Amalgamation;

- a) "Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges."
- c) "Company shall ensure compliance with the SEBI Circulars issued from time to time."
- d) "The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- h) "Both the Companies are advised to disclose following as a part of the explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013."

Details of Assets & Liabilities of Transferor Company transferred to the Transferee Company

Details of Assets & Liabilities of Transferee Company pre and post amalgamation

Impact of amalgamation on revenue generating capacity of Transferee Company

Need for the demerger, Rationale of the Scheme ,Synergies of the business of the entities involved in the scheme ,impact of the scheme on the shareholders and cost benefit analysis of the scheme

- i) "Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- j) "Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- k) "Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company

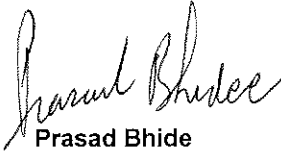
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Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



**Prasad Bhide
Senior Manager**



**Marian Dsouza
Senior Manager**

National Stock Exchange Of India Limited

Ref: NSE/LIST/31908

May 23, 2023

The Company Secretary
Rossell India Limited
21/1A/3, Jindal Towers, Block B, 4th Floor,
Darga Road, Kolkata, West Bengal, 700017.

Kind Attn.: Mr. Nirmal Kumar Khurana

Dear Sir,

Sub: Draft scheme of amalgamation between BMG Enterprises Limited (“Transferor Company”) and Rossell India Limited (“Transferee Company”) and their respective shareholders.

We are in receipt of draft scheme of amalgamation between BMG Enterprises Limited (“Transferor Company”) and Rossell India Limited (“Transferee Company”) and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013 vide application dated July 26, 2022.

Based on our letter reference no. NSE/LIST/31908 dated December 27, 2022, submitted to SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated May 22, 2023, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure to disclose all the details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circulars and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- d. *Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*

This Document is Digitally Signed

- g. *Company shall ensure that both the companies to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the Shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.*
- *Details of assets and liabilities of Transferor Company transferred to Transferee Company.*
 - *Details of assets and liabilities of Transferee Company pre and post amalgamation.*
 - *Impact of amalgamation on revenue generating capacity of Transferee Company.*
 - *Need for the demerger, Rationale of the scheme, Synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- i. *Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

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The validity of this letter shall be six months from May 23, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

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21st January, 2023

To
BSE Limited
Ground floor, P. J. Towers
Dalal Street, Fort
Mumbai – 400 001, India,
Scrip Code: 533168

Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement between Rossell India Limited (the Demerged Company or RIL) and Rossell Techsys Limited (the Resulting Company or RTL) and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013-Complaints Report

Period of Complaints Report from 29th December, 2022 to 20th January, 2023.


Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
NA	NA	NA	NA

For Rossell India Limited


Nirmal Kumar Khurana
Company Secretary



ROSSELL INDIA LIMITED



27th January, 2023

To
Manager - Listing Compliance
National Stock Exchange of India Limited
Listing Department, 'Exchange Plaza' Plot No. C-1,
Block G, Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Symbol: ROSSELLIND

Dear Sir,

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Arrangement between Rossell India Limited (the Demerged Company or RIL) and Rossell Techsys Limited (the Resulting Company or RTL) and their respective shareholders under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013-Complaints Report

Ref: Application Number 33864

Period of Complaints Report from 4th January, 2023 to 26th January, 2023.

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchanges	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
NA	NA	NA	NA

For Rossell India Limited


Nirmal Kumar Khurana
Company Secretary



Annexure XIII

Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against Rossell India Limited (“Company”), its promoters and directors (Status as on 21st July, 2023)

Sr. No.	Court / Tribunal / Authority	Parties	Brief summary of case	Current status	Against (Company / Promoter / Director)	Remarks
1	Delhi Arbitration Authority	Ernst and Young LLP (E&Y)	E&Y has filed an Arbitration case to recover Rs 51.62 lakhs with interest thereon from the Company, which has been by the Company for deficiency in their level of services. The Company has lodged the Counter claim to recover Rs 175 lakhs as refund of fees paid along with interest and repayment of expenses reimbursed.	Arbitration order awaited	Company	Final arguments concluded. Order is awaited
2	Goods and Service Tax Authorities	GST Authorities – OKHLA Circle	Notice for carry forward of inadmissible Cenvat Credit of Rs 41.26 lakhs Trans -1 Form.	Submissions made with necessary supporting documents.	Company	Order Awaited
3.	Commissioner of Income Tax (Appeals)	Appeals filed by the Company for AY 2021-2022 and AY 2020-2021	The Company has preferred appeals before the Commissioner of Income Tax (Appeals) against various arbitrary and wrong disallowances of certain claims in the Income Tax Assessments for Financial Year 2019-2020 and 2020-2021 by the Assessing officer thereby raising demands of Rs. 612.26 lakhs and Rs. 454.94 lakhs respectively.	Hearing of the Appeals yet to take place.	Company	Date of hearing Awaited