

September 15, 2020

To,
Listing Department,
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai- 400 001.
Security Code:- **539207**
ISIN:- **INE122R01018**

To,
The Listing Department,
National Stock Exchange of India Limited
5th Floor, "Exchange Plaza", Bandra-Kurla
Complex," Bandra (East), Mumbai-400 051.
Security ID:- **MANPASAND**
ISIN:- **INE122R01018**

Dear Sir/Madam,

Sub:- **Outcome of Board Meeting dated 15.09.2020.**

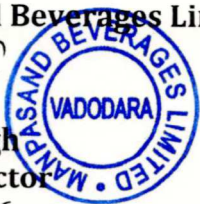
Reference to the subject mentioned above and in continuation to our previous letter dated September 09, 2020, this is to inform you that the Meeting of Board of Directors of the Company commenced at 09.30 P.M and concluded at 10.20 P.M. today and has inter alia considered the following business:

- Un-audited Financial Results (Standalone and Consolidated) along with Limited Review Report for the First quarter ended on 30th June, 2020. The Copy of said result is attached.

You are requested to kindly take note of the same.

For **Manpasand Beverages Limited**


Dhirendra Singh
Managing Director
DIN - 00626056



MANPASAND BEVERAGES LIMITED

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30TH JUNE, 2020

[Rs. in Lakhs]

Sr. No.	Particulars	3 Months ended	Corresponding 3 Months ended in previous year	Preceding 3 Months ended	Previous year ended
		30.06.2020	30.06.2019	31.03.2020	31.03.2020
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Revenue				
	(a) Revenue from Operations	38.13	3,313.09	626.81	4,082.92
	(b) Other Income	2.43	25.58	219.71	248.31
	Total Revenue	40.56	3,338.67	846.52	4,331.23
2	Expenses				
	a) Cost of materials consumed	22.23	1,636.29	433.42	2,572.59
	b) Purchase of stock-in-trade	-	-	-	-
	c) Change in inventories of finished goods and stock-in-trade	(5.52)	889.08	46.74	965.73
	d) Employee benefits expense	278.65	604.85	90.21	1,275.45
	e) Finance Costs	4.06	170.54	7.72	192.86
	f) Depreciation and amortisation expense	1,769.92	2,135.89	2,127.07	8,580.98
	g) Other expenses	119.80	1,211.02	1,036.66	2,958.88
	Total Expenses (a to g)	2,189.14	6,647.67	3,741.82	16,546.49
3	Profit before Exceptional Items and tax (1 - 2)	(2,148.58)	(3,309.00)	(2,895.30)	(12,215.26)
4	Exceptional Items	-	-	6,668.31	6,668.31
5	Profit before Tax (3-4)	(2,148.58)	(3,309.00)	(9,563.61)	(18,883.57)
6	Tax Expenses / (benefits)	-	-	159.96	159.96
	Current Tax	-	-	0.01	0.01
	MAT credit entitlement	-	-	-	-
	Deferred Tax	-	-	-	-
	(Excess)/Short provision of tax relating to prior years	-	-	159.95	159.95
7	Net Profit form Ordinary Activities after Tax (5 - 6)	(2,148.58)	(3,309.00)	(9,723.57)	(19,043.53)
8	Other Comprehensive Income (After Tax)	-	3.47	35.49	38.96
	a) Items that will not be reclassified to profit or loss	-	5.33	55.81	61.14
	b) Income tax effect on above	-	(1.86)	(20.32)	(22.18)
	c) Items that will be reclassified to profit or loss	-	-	-	-
	d) Income tax effect on above	-	-	-	-
9	Total Comprehensive income (7+8)	(2,148.58)	(3,305.53)	(9,688.08)	(19,004.57)
10	Paid-up equity share capital (Face Value per share Rs.10/-)	11,446.24	11,446.24	11,446.24	11,446.24
11	Earning Per Share : (of Rs.10/-each) (For the period - not annualised)				
	a) Basic	(1.88)	(2.89)	(8.49)	(16.64)
	b) Diluted	(1.88)	(2.89)	(8.49)	(16.64)

For and on behalf of Board of Directors



Rajendra Singh
Chairman & Managing Director
DIN - 00626056

Place: Vadodara
Date: 15th September, 2020



MANPASAND BEVERAGES LIMITED

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30TH JUNE, 2020

[Rs. in Lakhs]

Sr. No.	Particulars	CONSOLIDATED			
		Quarter Ended			Year Ended
		30.06.2020 (Unaudited)	30.06.2019 (Unaudited)	31.03.2020 (Audited)	31.03.2020 (Audited)
1	Revenue				
	(a) Revenue from Operations	38.13	3,313.09	626.81	4,082.92
	(b) Other Income	2.43	25.58	219.71	248.31
	Total Revenue	40.56	3,338.67	846.52	4,331.23
2	Expenses				
	a) Cost of materials consumed	22.23	1,636.29	433.42	2,572.59
	b) Purchase of stock-in-trade	-	-	-	-
	c) Change in inventories of finished goods and stock-in-trade	(5.52)	889.08	46.74	965.73
	d) Employee benefits expense	278.65	604.85	90.21	1,275.45
	e) Finance Costs	4.06	170.54	7.72	192.87
	f) Depreciation and amortisation expense	1,769.92	2,135.89	2,127.07	8,580.98
	g) Other expenses	119.92	1,212.00	1,037.00	2,961.38
	Total Expenses (a to g)	2,189.26	6,648.65	3,742.16	16,549.00
3	Profit before Exceptional Items and tax (1 - 2)	(2,148.70)	(3,309.98)	(2,895.64)	(12,217.77)
4	Exceptional Items	-	-	6,668.31	6,668.31
5	Profit before Tax (3-4)	(2,148.70)	(3,309.98)	(9,563.95)	(18,886.08)
6	Tax Expenses / (benefits)	-	-	159.96	159.96
	Current Tax	-	-	0.01	0.01
	MAT credit entitlement	-	-	-	-
	Deferred Tax	-	-	-	-
	(Excess)/Short provision of tax relating to prior years	-	-	159.95	159.95
7	Net Profit form Ordinary Activities after Tax (5 - 6)	(2,148.70)	(3,309.98)	(9,723.91)	(19,046.05)
8	Other Comprehensive Income (After Tax)	-	3.47	35.49	38.96
	a) Items that will not be reclassified to profit or loss	-	5.33	55.81	61.14
	b) Income tax effect on above	-	(1.86)	(20.32)	(22.18)
	c) Items that will be reclassified to profit or loss	-	-	-	-
	d) Income tax effect on above	-	-	-	-
9	Total Comprehensive income (7+8)	(2,148.70)	(3,306.51)	(9,688.42)	(19,007.09)
10	Paid-up equity share capital (Face Value per share Rs.10/-)	11,446.24	11,446.24	11,446.24	11,446.24
11	Earning Per Share : (of Rs.10/-each) (For the period - not annualised)				
	a) Basic	(1.88)	(2.89)	(8.50)	(16.64)
	b) Diluted	(1.88)	(2.89)	(8.50)	(16.64)

Place: Vadodara

Date: 15th September, 2020



For and on behalf of Board of Directors

Dhirendra Singh

Managing Director

DIN - 00626056



Notes:

1. The above results have been reviewed by the Audit committee and approved by the Board of Directors of the company at their meetings held on 15th September 2020.
2. The Company is in the business of "Fruit Drinks" and hence has only one reportable segment as per Ind AS 108 "Operating Segments".
3. This result has been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015.
4. In view of seasonality of Fruit Drinks business, financial results for the quarter ended on 30th June, 2020 are not indicative of full year's performance.
5. The Company has faced certain critical events / aggressive competition and foul plays from some competitors / market forces in the last quarter of the previous financial year and in current year resulting into disturbed operations, distribution, collections and operational losses during the current year owing to events explained hereunder below:
 - a. The Company in its efforts to consolidate its huge dealer – retailer network moved to a chain of large channel partners who would in turn manage and operate the dealer – retailer network which is a successful model in the industry and in other countries. However the implementation of this model was disrupted by the negative market forces and aggressive competition in the market and claims from the Channel Partner towards damages / expired life which was a result of their inability to timely distribute the products of the Company to the retail chain and maintain the presence of Company products.
 - b. The Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of Rs. 1,777.62 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs. 2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.
 - c. Between June 2019 to September 2019, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan



of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.

- d. Due to above events the production and distribution were drastically disturbed, in the period post May 2019. The Company faced a higher attrition of talented, experienced and trusted employees during these challenging times. Accordingly, the management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth.
6. In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporary closure of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company fell under non-essential category, these restrictions had substantially impacted its operations at plants. The Company has since, after receiving applicable permissions, partially commenced operations including dispatch of goods to its customers at some of its manufacturing facilities and has been scaling up the same gradually. The Management believes that it has considered all possible impacts of COVID-19 and other disrupting events as highlighted in note no. 5 above on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Company has considered internal and external sources of information / indicators up to the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone and consolidated financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.
7. The appointment and remuneration paid to Mr. Dharendra Singh and Mr. Abhishek Singh in the capacity of Chairman/MD and Whole Time Director respectively for the period 1st January 2020 to 30th June 2020 is subject to shareholder approval in the ensuing general meeting.
8. The accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management do not feel any material adjustments in this regard.
9. The Consolidated results includes - Manpasand Products Private Limited which was incorporated on 20th March 2019 as wholly-owned subsidiary company of Manpasand Beverages Limited.



10. The previous period's figures have been re-grouped/ re-classified wherever required to conform to current period's classification. All figures of financials has been rounded off to nearest Lakhs rupees.

You are requested to kindly take note of the same.

For Manpasand Beverages Limited



Dhirendra Singh
Chairman Managing Director
DIN : 00626056
Date : 15th September 2020.
Place : Vadodara



LIMITED REVIEW REPORT

**To the Board of Directors
Manpasand Beverages Limited**

1. We have reviewed the unaudited standalone financial results of **MANPASAND BEVERAGES LIMITED** ('the Company') for the quarter ended 30th June, 2020 which are included in the accompanying Unaudited Standalone Statement of Financial Results for the quarter ended June 30, 2020 together with the notes thereon (hereinafter referred to as the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes.
2. This Standalone Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Standalone Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review, conducted as above, nothing has come to our attention that causes us to believe that the accompanying Standalone Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



5. We draw your attention to the following matters:

- a. As explained in Note 5.b to the Standalone Statement, the Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of Rs. 1,777.62 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs. 2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.
- b. As explained in Note No. 5.c to the Standalone Statement, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dhirendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.
- c. As explained in Note 6 to the Standalone Statement, the Management believes that it has considered all possible impacts of COVID-19 and other disrupting events as explained in Note 5 on the carrying amounts of Property, Plant and Equipment,

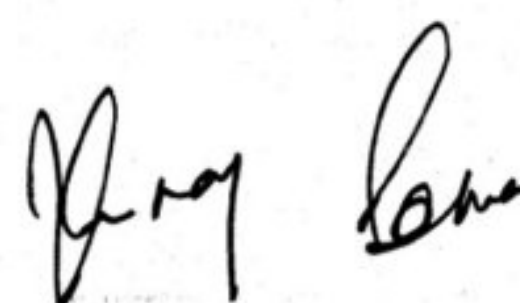


Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Company has considered internal and external sources of information / indicators up to the date of approval of this Standalone Statement. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of this standalone statement. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

- d. As explained in note no. 7 to the Standalone Statement, the appointment date and remuneration paid to Mr. Dharendra Singh and Mr. Abhishek Singh in the capacity of Chairman cum Managing Director and Whole Time Director respectively for the period 1st January 2020 to 30th June, 2020 is subject to shareholder approval in the ensuing general meeting.
- e. As explained in note no. 8 to the Standalone Statement, the accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management do not feel any material adjustments in this regard.
- f. The figures for the 3 months ended 31 March 2020 as reported in these Standalone Statement are the balancing figures between the audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Our conclusion is not modified in respect of above matters.

For Bagaria & Co. LLP
Chartered Accountant
ICAI Firm Registration No.
113447W/W-100019



Vinay Somani
Partner
Membership No. 143503
UDIN: 20143503AAAALA6517

Place: Mumbai
Date: 15th September, 2020

LIMITED REVIEW REPORT

**To the Board of Directors
Manpasand Beverages Limited**

1. We have reviewed the unaudited consolidated financial results of **MANPASAND BEVERAGES LIMITED** ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") for the quarter ended 30th June, 2020 which are included in the accompanying Unaudited Consolidated Statement of Financial Results for the quarter ended June 30, 2020 together with the notes thereon (hereinafter referred to as the "Consolidated Statement"). The Consolidated Statement has been prepared by the Holding Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes.
2. This Consolidated Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (IND AS "34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. Accordingly, we do not express an audit opinion.
4. We have also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.
5. The Consolidated Statement includes the results of the following entity:

Name of the Entity	Relationship
Manpasand Products Private Limited	Wholly Owned Subsidiary



6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the Consolidated statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (IND AS) and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular issued from time to time, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We draw your attention to the following matters:
- a. As explained in Note 5.b to the Consolidated Statement, the Holding Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Holding Company were sent to judicial custody without giving the Holding Company any opportunity of fair adjudication process which severely disrupted the operations of the Holding Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Holding Company. The Holding Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of Rs. 1,777.62 lakhs claimed by the CGST authorities. This payment has been made by the Holding Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs. 2,074.16 lakhs introduced by the Promoter(s) into the Holding Company. It is denied that the Holding Company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Holding Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Holding Company.
- b. As explained in Note No. 5.c to the Consolidated Statement, the Holding Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Company during the period when top officials were in judicial custody and the Holding Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Holding Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Holding Company. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Holding Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Holding Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management of Holding Company, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.



- c. As explained in Note 6 to the Consolidated Statement, the Holding Company's Management believes that it has considered all possible impacts of COVID-19 and other disrupting events as explained in Note 5 on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Group has considered internal and external sources of information / indicators up to the date of approval of this Consolidated Statement. Based on current indicators of future economic conditions, the Group expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of this Consolidated statement. Considering the continuing uncertainties, the Group will continue to closely monitor any material changes to future economic conditions.
- d. As explained in note no. 7 to the Consolidated Statement, the appointment date and remuneration paid to Mr. Dharendra Singh and Mr. Abhishek Singh in the capacity of Chairman cum Managing Director and Whole Time Director of the Holding Company respectively for the period 1st January 2020 to 30th June, 2020 is subject to shareholder approval in the ensuing general meeting.
- e. As explained in note no. 8 to the Consolidated Statement, the accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Holding Company's Management do not feel any material adjustments in this regard.
- f. The figures for the 3 months ended 31 March 2020 as reported in these Consolidated Statement are the balancing figures between the audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Our conclusion is not modified in respect of above matters.

8. The consolidated statement includes the financial result of One wholly owned subsidiary which have not been reviewed by their auditors and whose interim financial information (before intercompany-elimination and consolidation adjustments) reflect total revenue of Rs. Nil & Rs. Nil, and total comprehensive income of Rs. (-0.12) lakhs for the quarter ended 30th June, 2020. According to the information and explanations given to us by the Management, these figures of the aforesaid subsidiary is not material to the Group.

For Bagaria & Co. LLP
Chartered Accountant
ICAI Firm Registration No.
113447W/W-100019

[Handwritten Signature]



Vinay Somani
Partner
Membership No. 143503
UDIN: 20143503AAAALB8880

Place: Mumbai
Date: 15th September, 2020