



**GALAXY**  
CLOUD  
KITCHENS  
LIMITED

7<sup>th</sup> September, 2023

To,  
Dept of Corporate Services (CRD)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

**Scrip Code: BSE - 506186**

Dear Sir/Madam,

**Sub: Annual Report for the financial year 2022-23 and Notice of Annual General Meeting of the Members of the Company**

Please take note that the 41<sup>st</sup> Annual General Meeting (“AGM”) of the Members of Galaxy Cloud Kitchens Limited is scheduled to be held on Friday, 29<sup>th</sup> September, 2023 at 11.30 a.m. through Video Conferencing / Other Audio Visual Means.

In terms of the provisions of Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended, please find enclosed herewith Annual Report for the financial year 2022-23 together with Notice calling the aforesaid AGM.

The Annual Report for the financial year 2022-23 along with the Notice of AGM is also available on the website of the Company - [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in)

Kindly take the same on record and acknowledge receipt of the same.

Thanking You,

Yours truly,  
**For Galaxy Cloud Kitchens Limited**

NISHANT  
JITENDRA  
DHOLAKIA

Digitally signed by  
NISHANT JITENDRA  
DHOLAKIA  
Date: 2023.09.07  
21:19:42 +05'30'

**Nishant Dholakia**  
**Executive Director and Chief Executive Officer**  
**DIN: 05200058**

**CIN: L15100MH1981PLC024988**

**Registered Office** Knowledge House, Shyam Nagar Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400060.

Tel: 022 2803 9405 Email: [investors@galaxycloudkitchens.in](mailto:investors@galaxycloudkitchens.in) Website: [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in)



**GALAXY**  
CLOUD  
KITCHENS  
LIMITED



**ANNUAL REPORT**  
**2022-2023**



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**CORPORATE INFORMATION****BOARD OF DIRECTORS**

Mr. Nishant Dholakia (DIN: 05200058)	: Executive Director and Chief Executive Officer
Mr. Sunil Biyani (DIN: 00006583)	: Non-Executive Director
Ms. Dimple Somani (DIN: 09685900)	: Independent Director
Mr. Manoj Khemka (DIN: 09686636)	: Independent Director
Mr. Rajesh Mittal (DIN: 00231710) (Resigned w.e.f. August 21, 2023)	: Independent Director
Mr. Swapnil Kothari (DIN: 05235636) (Resigned w.e.f. August 17, 2023)	: Non-Executive Director

**KEY MANAGERIAL PERSONNEL**

Ms. Neelu Jain (Appointed w.e.f November 5, 2022 and Resigned w.e.f. May 6, 2023)	: Company Secretary & Compliance Officer
Ms. Shruti Shrivastava (Resigned w.e.f. September 24, 2022)	: Company Secretary & Compliance Officer
Mr. Atul Joshi (Resigned w.e.f July 31, 2022)	: Chief Financial Officer
Mr. Suraj Bhatt (Appointed w.e.f August 1, 2022 and Resigned w.e.f April 25, 2023)	: Chief Financial Officer
Mr. Prince Singh (Appointed w.e.f May 24, 2023)	: Deputy Chief Financial Officer

**STATUTORY AUDITORS**

S A R A & ASSOCIATES  
Chartered Accountants  
1015, The Summit Business Park,  
Near WEH Metro Station, M.V.Road, Andheri (East),  
Mumbai - 400093, Maharashtra  
Tel: 91-22-41685500

**BANKERS**

HDFC Bank Limited  
AXIS Bank  
State Bank of India  
ICICI Bank Limited

**REGISTERED OFFICE & CORPORATE OFFICE**

Knowledge House, Shyam Nagar,  
Off Jogeshwari-Vikhroli Link Road  
Jogeshwari (East), Mumbai 400060  
Tel.: (022) 28039405  
CIN: L15100MH1981PLC024988  
E-mail: investors@galaxycloudkitchens.in  
Website: www.galaxycloudkitchens.in

**REGISTRAR AND SHARE TRANSFER AGENT**

TSR CONSULTANTS PRIVATE LIMITED  
(formerly known as TSR Darashaw Consultants Private Limited)  
C-101, 1st Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai 400 083.  
Tel.: + 91 8108118484 / Fax: (022) 6656 8494  
Email: Csg-unit@tcplindia.co.in

**41<sup>st</sup> Annual General Meeting**

on Friday, September 29, 2023 at 11.30 a.m. through Video Conferencing (VC)/Other Audio Visual Means (OAVM)

# Notice

Annual Report 2022-2023

NOTICE is hereby given that the Forty First Annual General Meeting of the Members of Galaxy Cloud Kitchens Limited will be held on Friday, September 29, 2023, at 11.30 a.m. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:

## ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, the reports of the Board of Directors and auditors thereon;
2. To appoint a Director in place of Mr. Nishant Dholakia (DIN: 05200058), who retires by rotation and being eligible offers himself for re-appointment.

### Registered Office:

Knowledge House, Shyam Nagar,  
Off. Jogeshwari – Vikhroli Link Road,  
Jogeshwari (East),  
Mumbai – 400060  
CIN: L15100MH1981PLC024988  
E-mail: investors@galaxycloudkitchens.in  
Website: www.galaxycloudkitchens.in  
Place: Mumbai  
Date:25/08/2023

**By Order of the Board  
For Galaxy Cloud Kitchens Limited**

**Sunil Biyani  
Director  
DIN : 00006583**

## NOTES:

1. The Ministry of Corporate Affairs ("**MCA**") has vide its General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 read with General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020, General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 19/2021 dated 8<sup>th</sup> December, 2021 and General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021 (collectively referred to as "**MCA Circulars**") permitted the holding of AGM through VC/OAVM, without the physical presence of the Members at a common venue, subject to compliance of various conditions mentioned therein. In compliance with the provisions of the Companies Act, 2013 read with rules framed thereunder ("**Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
2. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 41<sup>st</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. In compliance with the aforesaid MCA Circulars and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 issued by the Securities and Exchange Board of India, Annual Report 2022-23, Notice of AGM and instructions for e-voting are being sent only through electronic mode to those Shareholders whose valid e-mail addresses are registered with the Company/ Depositories. Shareholder may note that Notice of AGM has been uploaded on the website of the Company at www.galaxycloudkitchens.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited and

the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsd.com](http://www.evoting.nsd.com).

6. Shareholders holding shares in electronic form are requested to intimate all changes pertaining to their bank particulars nominations, power of attorney, address, name, e-mail address, contact numbers, PAN, etc., to their Depository Participant (DP).
7. Information as required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (“ICSI”), in respect of the Director seeking re-appointment/appointment at the AGM is annexed hereto as Annexure – I and forms part of the notice.
8. Under Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has not yet declared dividend.
9. Members can avail themselves the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company’s R & T Agent. The form can be downloaded from the Company’s website at [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in). Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
10. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
11. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. 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. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
12. Mr. Amit Samani, Practising Company Secretary of M/s. Amit Samani & Co., Company Secretaries (Membership No: F7397 and Certificate of Practice No: 7966), Mumbai, has been appointed as the Scrutinizer to scrutinize the e-voting process during the AGM and remote e-voting process in a fair and transparent manner.
13. Any person, 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 i.e. Friday, 22<sup>nd</sup> September, 2023, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she 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.

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

**The remote e-voting period begins on Tuesday, 26<sup>th</sup> September, 2023 at 09:00 A.M. and ends on Thursday, 28<sup>th</sup> September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22<sup>nd</sup> September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> September, 2023.**

#### **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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>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 &amp; 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
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.

**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33



**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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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 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 [team@sgkadvisory.com](mailto:team@sgkadvisory.com) with a copy marked to [evoting@nsdl.co.in](mailto: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. 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](http://www.evoting.nsdl.com) to reset the password.
3. 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](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Amit Vishal, Assistant Vice President - NSDL at [evoting@nsdl.co.in](mailto: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 send a request to the Registrar and Transfer Agent of the Company, TSR Consultants Private Limited at [csg-kyc@tcplindia.co.in](mailto:csg-kyc@tcplindia.co.in) providing folio no., name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), for registering email address.
2. In case shares are held in demat mode, please contact your Depository Participant (DP) and register your email address in your demat account, as per the process advised by your DP. 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](mailto: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 AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
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 AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM 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/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investors@galaxycloudkitchens.in](mailto:investors@galaxycloudkitchens.in) . The same will be replied by the company suitably.

# Notice

Annual Report 2022-2023

14. The Scrutinizer shall, immediately after the conclusion of voting at the AGM will first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
15. The results declared along with the report of the scrutinizer shall be placed on the Company's website [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately. The Company shall simultaneously forward the Stock Exchange.
16. To support the 'Green Initiative', Members holding shares in demat mode, who have not yet registered their email addresses are requested to register their email addresses with respective Depository Participants and members holding shares in physical mode are requested to update their email addresses with the Company's Registrars and Share Transfer Agent ("RTA"), TSR Consultants Private Limited, at [Csg-unit@tcplindia.co.in](mailto:Csg-unit@tcplindia.co.in) to receive copies of the Annual Report 2022-23 in electronic mode.
17. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this notice.

**Registered Office:**

Knowledge House, Shyam Nagar,  
Off. Jogeshwari – Vikhroli Link Road,  
Jogeshwari (East), Mumbai – 400060  
CIN: L15100MH1981PLC024988  
E-mail: [investors@galaxycloudkitchens.in](mailto:investors@galaxycloudkitchens.in)  
Website: [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in)  
Place: Mumbai  
Date: 25/08/2023

**By Order of the Board  
For Galaxy Cloud Kitchens Limited**

**Sunil Biyani  
Director  
DIN : 00006583**

## Annexure - I

**ADDITIONAL INFORMATION IN TERMS OF REGULATION 36 OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECRETARIAL STANDARD ON GENERAL MEETINGS (“SS-2”), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA AND APPROVED BY THE CENTRAL GOVERNMENT IN RESPECT OF DIRECTOR BEING PROPOSED TO BE RE-APPOINTED.**

1.	<b>Name of the Director</b>	Nishant Dholakia
2.	<b>Date of Birth and Age</b>	13 <sup>th</sup> December, 1974, Age : 48 years
3.	<b>Date of first appointment on the Board</b>	23 <sup>rd</sup> May, 2022
4.	<b>Director Identification Number</b>	05200058
5.	<b>Qualification</b>	Graduate from IHM, Mumbai.
6.	<b>Expertise in specific Functional Areas</b>	Mr. Nishant Dholakia has 26 years of experience across hotels, Institutional, QSR, CDR, Food retail and Cloud kitchens.
7.	<b>Terms and conditions of re-appointment along with the details of remuneration sought to be drawn</b>	As approved by the Shareholders by way of resolution passed through Postal Ballot on 16 <sup>th</sup> June, 2022 and as stated in Item No. 2 of this Notice
8.	<b>Remuneration last drawn</b>	Remuneration for FY 2022-23 : Rs. 59.46 lakhs
9.	<b>Number of Board Meeting attended during the year 2022-23</b>	4 (Four)
10.	<b>Directorship held in other listed Companies (As on March 31, 2023)</b>	None
11.	<b>Directorship in other Companies (excluding Foreign companies and Section 8 companies) (As on March 31, 2023)</b>	None
12.	<b>Chairmanship/Membership of Committees of the Board of Directors of other listed Companies as on March 31, 2023</b>	None
13.	<b>Chairmanship/Membership of Committees of the Board of Directors of other Companies as on March 31, 2023</b>	None
14.	<b>Listed entities from which the person has resigned in the past three years</b>	None
15.	<b>Relationship with other Directors/ key Managerial Personnel (“KMP”)</b>	Not related to any other Director or KMP of the Company.
16.	<b>Shareholding of Director in the Company (As on March 31, 2023)</b>	Nil

# Board's Report

Annual Report 2022-2023

To,

## The Members of Galaxy Cloud Kitchens Limited

Your Directors take pleasure in presenting the Forty-first Annual Report of Galaxy Cloud Kitchens Limited on the business and operations of the Company along with audited financial statements for the financial year ended March 31, 2023.

## Financial Results

The Company's financial performance for the year ended March 31, 2023 is as below:

### Standalone

(Rs. in thousands)

Particulars	Year ended	Year ended
	31.03.2023	31.03.2022
Revenue from operations	2,20,827.35	2,21,589.96
Other Income	70,767.04	34,014.04
Total Income	2,91,594.39	2,55,604.00
Personnel Cost	58,582.66	55,433.80
Operating and other expenses	2,35,473.77	1,68,393.11
Total Expenditure	2,94,056.43	2,23,826.91
Profit/(Loss) before Interest, Depreciation and Tax	-2,462.04	31,777.09
Less: Interest	9,257.74	4,084.39
Less: Depreciation	23,788.28	32,182.79
Profit/(Loss) from Ordinary Operation before tax	-35,508.06	-4,490.09
Less Provision for Tax	-	-
Profit/(Loss) from Continuing Operation after Tax	-35,508.06	-4,490.09
Less: Loss from Discontinued Operation	-54,450.96	13,450.67
Profit/(Loss) after Tax	-89,959.02	8,960.58

## RESULT OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS

During the year under review, your Company had earned revenue from operations (Gross) of Rs. 2,20,827.35 thousand. The Loss before finance cost, depreciation and amortization was of Rs. (2,462.04) thousands as against Profit of Rs. 31,777.09 thousands in the previous year. The operating Loss after tax was Rs. (89,959.02) thousand as against Profit of Rs. 8960.58 thousands in the previous year.

During the year 2021-22, some of the Promoters of the Company had submitted their request to discontinue as Promoters of the Company and further requested the Company to re-classify them under public category. To give effect to the same, the Company had taken approval of the Shareholders by way of postal ballot, after receiving recommendation from the Board in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), based on which an application has been forwarded to the Bombay Stock Exchange ("**BSE**") where the shares of the Company are listed. A reply is awaited from the BSE regarding the same.

## Business Outlook

The Company operates Cloud Kitchens in Mumbai and Gurugram. Cloud Kitchens are mainly engaged in manufacturing of fresh foods ranging from fresh bakery, desserts, hot meals, cold meals to home meal convenience foods and ready to eat products. Currently the Company does private label for renowned players in retail industry and caters to QSR Companies having PAN India presence. The Company is currently operating in B2B model and soon planning go into B2C model also.



## Dividend

The Board of Directors of the Company have not recommended any dividend on equity shares in respect of the financial year 2022-23. Provisions of Regulation 43A of the SEBI Listing Regulations with regard to formulation of Dividend Distribution Policy are not applicable to the Company.

## Transfer to Reserves

The Company has not transferred any amount to reserves during the year and hence no information as per the provisions of Section 134 (3) (j) of the Companies Act, 2013 (**"the Act"**) have been furnished.

## Share Capital

During the year under review, there was no change in the share capital of the Company.

## Internal Controls

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- providing assurance regarding the effectiveness and efficiency of operations;
- efficient use and safeguarding of resources;
- compliance with policies, procedures, applicable laws and regulations; and
- transactions being accurately recorded and promptly reported.

The Company continues to have periodical audits conducted of all its functions and activities to ensure that systems and procedures are followed across all areas.

The Audit Committee of Board of Directors of the Company regularly reviews the adequacy of internal control systems through such audits. The Internal Auditor reports directly to the Audit Committee. The Company also has a budgetary control system to monitor expenditure against approved budgets on an ongoing basis.

## Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

## Risk Management

The Board of Directors of the Company have formulated a Risk Management Policy which aims at minimizing the risk and enhancing the value and reviews the elements of risks with regard to the business. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

## Cash Flow Statement

In conformity with the provisions of Regulation 34 of SEBI Listing Regulations, Cash Flow Statement for the year ended March 31, 2023 has been provided in the Annual Report and which forms part of this report.

## Management Discussion and Analysis

In terms of the provisions of Regulation 34 of SEBI Listing Regulations, the Management Discussion and Analysis for the year ended March 31, 2023 is set out in this Annual Report.

## Subsidiaries and Associates

The Company is not a holding Company in terms of Section 2 (46) of the Act. The Company does not have subsidiary, associate or joint venture companies within the meaning of Section 2(87) and Section 2(6) of the Act. Hence, Form AOC-1 pursuant to provisions of Section 129(3) of the Act, is not provided in this report.

## Secretarial Standard

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

## Listing on Stock Exchanges

The Company's shares are listed on BSE Limited.

## Particulars of Employees and other additional information

The ratio of the remuneration of each Key Managerial Personal (KMP) to the median of employee's remuneration as per section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 forms part of the Board's Report and are provided under Annexure A.

None of the employees are drawing remuneration as per the ceiling stipulated in terms of Rule 5 (2) (ii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## Disclosures under Section 134(3)(I) of the Companies Act, 2013

Except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year and date of this Report.

## Annual Return

The Annual Return as on March 31, 2023 in terms of the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and Rules thereto, is available on the website of the Company – [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in)

## Particulars of Contracts and arrangements with Related Parties

All Related Party Transactions that were entered into during the financial year were on arm's length and in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions of the Act and the SEBI Listing Regulations. Pursuant to Regulation 23 of the SEBI Listing Regulations, all Related Party Transactions were placed before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions for their review.

The information on transactions with Related Parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 under Annexure B which forms part of this Report.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the SEBI Listing Regulations are given in the Financial Statements.

## Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

## Corporate Governance

Our corporate governance practices are reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

As per Regulation 34 (3) read with Schedule V of the SEBI Listing Regulations, the auditor's certificate on corporate governance is enclosed as Annexure D to the Board's report. The auditor's certificate for financial year 2022-23 does not contain any qualification, reservation or adverse remark.

## Board Diversity

The Company recognizes and embraces the importance of a diverse board in success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experiences, cultural and geographical background, age, ethnicity, race and gender that will help us to retain our competitive advantage. The Board has adopted

the Board Diversity Policy which sets out the approach to diversity. The Board Diversity Policy is available on our website [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in). Additional details on Board diversity are available in the Corporate Governance report that forms part of this Annual Report.

## Disclosures related to Board, Committees, Policies and number of Board meetings

During the year, 6 (six) Board Meetings were convened and held through audio/video conferencing, the details of which are given in the Corporate Governance Report. The intervening gap between two consecutive meetings was within the period prescribed under the Act. All the Directors actively participated in the meetings and provided their valuable inputs on the matters brought before the Board of Directors from time to time.

On January 23, 2023, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Act and the provisions of SEBI Listing Regulations.

As on March 31, 2023, the Board had three committees: the Audit committee, Nomination, Remuneration and Compensation Committee and the Stakeholders Relationship Committee. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. Details of Committees of the Company along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this Annual Report.

## Directors and Key Managerial Personnel

The Board had judicious combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2023, the Board of Directors of the Company consisted of Mr. Nishant Dholakia, Executive Director, Mr. Rajesh Mittal, Ms. Dimple Somani and Mr. Manoj Khemka, Independent Directors, Mr. Sunil Biyani and Mr. Swapnil Kothari, Non-Executive Directors.

During the year under review, Mr. Nishant Dholakia, Chief Executive Officer (DIN : 05200058) was appointed as an Additional Executive Director of the Company by the Board of Directors with effect from May 23, 2022. Further, the Shareholders of the Company approved the appointment of Mr. Nishant Dholakia as an Executive Director of the Company for a period of five years with effect from May 23, 2022.

Mr. Manoj Khemka (DIN: 09686636) and Ms. Dimple Somani (DIN: 09685900) were appointed as Additional Independent Director(s) of the Company at the meeting of the Board of Directors held on July 26, 2022. Further, at the 40th Annual General Meeting of the Company held on September 24, 2022, Mr. Manoj Khemka and Ms. Dimple Somani were appointed as Independent Director(s) by the Shareholders of the Company, for a period of five consecutive years from July 26, 2022 to July 26, 2027

The Board is of the opinion that Independent Directors possess highest standards of integrity and requisite expertise and experience required to fulfil the duties as an Independent Director of the Company..

In accordance with the provisions of Section 152 of the Companies Act, 2013 and that of the Articles of Association, Mr. Nishant Dholakia is liable to retire from the Board of the Company by rotation at the forthcoming Annual General Meeting (“AGM”) and being eligible, has offered himself for being re-appointed at the AGM.

The Notice convening forthcoming AGM includes the proposal for re-appointment of Mr. Nishant Dholakia. A brief resume of the Director seeking re-appointment at the forthcoming AGM and other details as required to be disclosed in terms of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (“SS-2”) forms part of the Notice calling the AGM.

Mr. Sharad Rustagi (DIN: 07232913), Independent Director of the Company resigned from the Board of the Company with effect from July 25, 2022, due to preoccupation and confirmed that there is no other reason other than those stated in his resignation letter dated July 25, 2022. Consequently, Mr. Sharad Rustagi also ceased to be a member of Audit committee with effect from July 26, 2022.

Ms. Udit Jhunjhunwala (DIN: 00120951) completed her second term as Independent Director of the Company on September 17, 2022. Ms. Udit Jhunjhunwala ceased to be a member of Audit committee and Nomination, Remuneration and Compensation Committee with effect from July 26, 2022 due to expiry of her term as Independent Director.

The Board wishes to place on record their appreciation for the contributions made each Director during their tenure as member of the Board of Directors of the Company.

Ms. Shruti Shrivastava resigned from the post of Company Secretary and Compliance Officer of the Company with effect from the close of the working hours of September 24, 2022. Ms. Neelu Jain, an associate member of the Institute of Company Secretaries of India, was appointed as Company Secretary and Compliance Officer with effect from November 5, 2022.

After the year under review, Ms. Neelu Jain resigned as the Company Secretary of the Company from the close of the working hours of May 6, 2023. Ms. Jyoti Shetty, an associate member of the Institute of Company Secretaries of India, was appointed as the Company Secretary and Compliance Officer of the Company with effect from August 10, 2023 and she resigned from the said post with effect from August 17, 2023. The Company is in the process of appointing a Company Secretary and the same shall be complied within the prescribed time.

Mr. Atul Joshi has resigned from the post of Chief Financial Officer of the Company from the close of the working hours of July 31, 2022. Mr. Suraj Bhatt Chartered Accountant, was appointed as the Chief Financial Officer of the Company with effect from August 1, 2022 in his place. Further, Mr. Suraj Bhatt resigned as the Chief Financial Officer of the Company from the close of the working hours of April 25, 2023. After the year under review, Mr. Prince Singh was appointed as the Dy. Chief Financial Officer of the Company with effect from May 24, 2023.

After the year under review following change have taken place in the Board composition:

1. Mr. Swapnil Kothari resigned as a Director of the Company with effect from August 17, 2023.
2. Mr. Rajesh Mittal resigned as an Independent Director of the Company with effect from August 21, 2023.

The Board wishes to place on record their appreciation for the contributions made each Director during their tenure as member of the Board of Directors of the Company.

## **Audit Committee**

The Composition, terms of reference, powers and role of Audit Committee of the Company are disclosed in the Corporate Governance Report, which forms part of this Annual Report. There were no instances where the Board did not accept the recommendations of the Audit Committee.

## **Nomination, Remuneration and Compensation Committee**

A Nomination, Remuneration and Compensation Committee is in existence in accordance with the provisions of sub-section (1) of Section 178 of the Act. Kindly refer section on Corporate Governance, which is forming part of this report, under head 'Nomination, Remuneration and Compensation Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

## **Policy on Directors' Appointment and Remuneration**

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its function of governance and management. The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Act is available on our website at [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in).

## **Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

In a separate meeting of independent Directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive Director and non-executive Directors. The Directors expressed their satisfaction with the evaluation process.

The Board and the Nomination Remuneration and Compensation Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At a meeting of the Board of Directors, the performance of the Board, its Committees, and individual Directors was discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent Director being evaluated.

Moreover, further detail regarding skill, expertise and competencies of Directors are disclosed in the Corporate Governance Report which forms part of this Annual Report.

## **Declaration by Independent Directors**

The Company has received necessary declaration from each Independent Director that he/she meets the criteria of independence laid down in Section 149(6) of the Act along with Rules framed thereunder and Regulation 25 of the SEBI Listing Regulations.

## **Director's Responsibility statement**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i. in preparation of the annual accounts for the financial year, the applicable accounting standards have been followed and there are no material departures, wherever applicable;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for the year ended on that date;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **Auditors and Auditor s' Report**

At the thirty seventh AGM held on September 16, 2019, the Members approved re-appointment of S A R A & Associates, Chartered Accountants (Registration No. 120927W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the forty second AGM of the Company.

The Auditors' Report on the financial statements for the financial year ended March 31, 2023 does not contain any qualification, observation, emphasis of matter of adverse remark and doesn't contain any instances of fraud as mentioned under Section 143 of the Act. The Auditors' Report is enclosed with the financial statements as a part of this Annual Report.

## **Secretarial Auditor and Secretarial Audit Report**

Pursuant to Section 179 and 204 of the Act and rules made thereunder, M/s. Nidhi Bajaj & Associates, Practising Company Secretary (Membership No. 28907/Certificate of Practice No. 14596) was appointed as a Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2022-23. The Secretarial Auditors' Report for the financial year 2022-23 is enclosed as Annexure C which forms part of this Report. The said Secretarial Auditors Report does not contain any qualifications, reservations or adverse remarks.

## **Cost records and Cost audit**

Maintenance of cost records and requirements of cost audit as prescribed under Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

## **Disclosure relating to equity shares with differential rights**

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

## **Disclosure relating to Employee Stock Option Scheme and Employee Stock Purchase Scheme**

The Company has not issued or granted any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the year under review and hence no information as per provisions of Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

## **Disclosure relating to sweat equity shares**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

## **Disclosures in respect of voting rights not directly exercised by employees**

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

## **Disclosure of orders passed by Regulators or Courts or Tribunal**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## **Conservation of Energy, Technology Absorption and Foreign Exchange**

Information required under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo are enclosed as Annexure E to the Board's report.

## **Declaration by Executive Director and CEO**

As per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, declaration stating that the members of Board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of Directors and senior management is enclosed as Annexure F.

## **Deposits from Public**

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

## **Particulars of Loans, Guarantees or Investments under section 186 of the Act**

During the year under review, the Company has not granted any loans, Guarantees nor made any Investments covered under the provisions of Section 186 of the Act.

## **Prevention of Sexual Harassment Policy**

The Company has in place a prevention of Sexual Harassment Policy in line with the requirements of the sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company follows a gender-neutral approach in handling complaints of sexual harassment and is compliant with law of the Land. We have also constituted an Internal Committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (prevention, prohibition and Redressal) Act, 2013. All employees (Permanent, contractual, temporary and trainees) are covered under this policy. During the year 2022-23, no complaints were received by the Company related to sexual harassment.

## **Vigil Mechanism**

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, to report concerns about unethical behaviour. The details of the policy have been disclosed in the Corporate Governance Report, which is a part of this report and is also available on [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in).



# Board's Report

Annual Report 2022-2023

## Detection of Fraud

During the year under review, no fraud has been reported by the auditor's viz. statutory and secretarial auditors to the Audit Committee or the Board in terms of Section 143(12) of the Act.

## Acknowledgement

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

**For and behalf of the Board of Directors**

**Nishant Dholakia**  
**Executive Director and**  
**Chief Executive Officer**  
**DIN: 05200058**

**Sunil Biyani**  
**Director**  
**DIN: 00006583**

**Place: Mumbai**  
**Date: 25/08/2023**

## ANNEXURE A

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- i. The ratio of remuneration of each Director to the median remuneration of the employees (MRE) of the Company for the financial year 2022-23 and the percentage (%) increase in remuneration of each Director and the key Managerial Personnel ("KMP") for the same period are under:

(Rs. In Lakhs)

Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial Year 2022-23 (Rs. In Lakhs) (1)	% increase in Remuneration in the F.Y. 2022-23 (2)	Ratio of remuneration of each Director/KMP to MRE for financial year 2022-23 (3=(1)/MRE)
<b>Executive Director and Chief Executive Officer</b>			
Mr. Nishant Dholakia (Appointed as Executive Director w.e.f May 23, 2022)	59.46	0%	40.66
<b>Other Key Managerial Personnel</b>			
Mr. Atul Joshi- Chief Financial Officer (Resigned w.e.f July 31, 2022)	12.39	0%	8.47
Mr. Suraj Bhatt Chief Financial Officer (Appointed w.e.f August 1, 2022)	17.81	0%	12.18
Ms. Shruti Shrivastava Company Secretary (Resigned w.e.f. September 24, 22)	3.82	0%	2.61
Ms. Neelu Jain Company Secretary (Appointed w.e.f November 5, 2022)	2.21	0%	1.51

- ii. The Median Remuneration of Employees (MRE) of the Company during the F.Y. 2022-23 was Rs. 1,46,228/- and for the previous year it was Rs.34,000 /-.
- iii. There is 330 % increase in MRE in the financial year 2022-23 as compared to Financial Year 2021-22.
- iv. There were 105 permanent employees on the rolls of Company as on March 31, 2023 and for the previous year there were 236 employees.
- v. Average percentage increase/decrease made in the salaries of employees other than the managerial personnel in the F.Y. 2022-23 was Nil whereas Percentage increase/ (decrease) in the managerial remuneration was Nil
- vi. Justification, including any exceptional circumstances, for increase in the managerial remuneration: N.A.
- vii. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. There were no employees in the Company who were drawing a remuneration throughout the financial year 2022-23 as stipulated in Rule 5(2)(i).

# Board's Report

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- ii. There were no employees in the Company who were drawing a remuneration for any part of the financial year 2022-23 as stipulated in Rule 5(2)(ii).
- iii. None of the employees has received remuneration in excess of that drawn by the Executive Director of the Company, nor directly or indirectly holds more than 2% of the equity shares of the Company.

**For and on behalf of the Board of Directors**

**Place: Mumbai**

**Date: 25/08/2023**

**Nishant Dholakia**

**Executive Director and Chief Executive Officer**

## Annexure B FORM AOC – 2

(Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

### 1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

### 2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship.	The Nilgiri Dairy Farm Private Limited	Future Consumer Limited	The Nilgiri Dairy Farm Private Limited
Nature of contracts / arrangements / transactions.	Sale of goods & services	Manufacture, packaging & supply of goods & services	Manufacture, packaging & supply of goods & services
Duration of the contracts	Yearly with renewal option	Yearly with renewal option	Yearly with renewal option
Salient terms of the contracts / arrangements / transactions including the value, if any.	Arrangement is with respect to manufactured, packaged supply of goods & services at is set out in mutually agreed and signed rate arrangements/ purchase Order.	Arrangement is with respect to manufactured, packaged supply of goods & services at is set out in mutually agreed and signed rate arrangements/ purchase Order.	Arrangement is with respect to manufactured, packaged supply of goods & services at is set out in mutually agreed and signed rate arrangements/ purchase Order.
Date(s) of approval by the Board.	12-05-2022	12-05-2022	12-05-2022
Amount paid as advances, if any	Nil	Nil	Nil

**For and behalf of the Board of Directors**

**Nishant Dholakia**

**Sunil Biyani**

**Place: Mumbai**

**Executive Director and Chief Executive Officer**

**Director**

**Date: 25/08/2023**

**DIN: 05200058**

**DIN: 00006583**

## Annexure C

### FORM NO. MR. 3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**GALAXY CLOUD KITCHENS LIMITED**  
CIN: L15100MH1981PLC024988  
Knowledge House, Shyam Nagar,  
Off. Jogeshwari- Vikhroli Link Road,  
Jogeshwari (E) Mumbai MH 400060

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GALAXY CLOUD KITCHENS LIMITED** (CIN: L15100MH1981PLC024988) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, legal papers, minutes books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 and made available to me, according to the provisions of:
  - i. The Companies Act, 2013 ('the Act') and the rules made thereunder to the extent applicable;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings, Not applicable;
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
    - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
    - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - vi. The Management has identified and confirmed the following laws as specifically applicable to the Company
    - i. Maharashtra Contract Labour (Regulation and Abolition) Rules, 1971,
    - ii. Maharashtra State Tax on Professions, Trades, Callings And Employments Act, 1975,
    - iii. Environment (Protection) Act, 1986,

# Board's Report

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- iv. The Trade Marks Act, 1999,
  - v. Food Safety and Standards Act, 2006 and Food Safety and Standards Act, 2011 and applicable general business laws, rules, regulations and guidelines.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
- a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
3. I have also examined compliance with applicable clauses of the following:
- i. Secretarial Standards issued by The institute of Company Secretaries of India with respect to Board and general meetings.
  - ii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. :

- The Company has complied with the provisions related to appointment of Key Managerial Personnel in terms of the provisions of Section 203 of the Act and Rules 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes, the decisions of the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**For Nidhi Bajaj & Associates  
Company Secretaries**

**Nidhi Bajaj  
Proprietor**

**UDIN: A028907E000260701**

**ACS- 28907**

**COP-14596**

Date : 05/05/2023

Place : Mumbai



**'ANNEXURE D' TO THE BOARD'S REPORT**  
**PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of **Galaxy Cloud Kitchens Limited**

I have examined the compliance of conditions of corporate governance by Galaxy Cloud Kitchens Limited ("the Company"), for the financial year ended March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance conditions carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Nidhi Bajaj & Associates**  
Company Secretaries

**Nidhi Bajaj**  
Proprietor  
ACS – 28907  
COP - 14596  
UDIN: A028907E000370776  
Date: 24<sup>th</sup> May, 2023  
Place: Mumbai

## ANNEXURE E

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

#### A. CONSERVATION OF ENERGY

- a) Energy Conservation steps taken;
- b) Steps taken by the Company for utilizing alternate sources of energy and
- c) Capital investment on energy conservation equipment's.

Disclosure for (a) to (c): The Company's operations involve very low energy consumption. Wherever possible energy conservation measures have been implemented and there are no further areas where energy conservation measures can be taken. However, efforts to conserve and optimize the use of Energy through improved Operational methods and other means will continue.

The Company has no collaborations and is engaged in the manufacture of the products by its own developed methods/ operations. The Company has setup a Business Intelligence Team whose emphasis is on product development, product quality, Cost reduction, energy conservation and improvement in process productivity.

#### B. TECHNOLOGY ABSORPTION

##### Research and Development (R & D):

Specific areas in which R&D is carried out by the Company:	Nil
Benefits derived as a result of the above R & D	
Future Plan of Action	
<b>Expenditure on R &amp; D</b>	Nil
a. Capital	
b. Recurring	
c. Total	
d. Total R & D expenditure as a percentage of total turnover	

##### Technology absorption, adaptation and innovation:

Efforts in brief, made towards technology absorption, adaptation and innovation	Nil
Benefit derived like product improvement, cost reduction, product development, import substitution etc.	Nil
In case of Imported Technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished	Nil
a) Technology Imported	
b) Year of Import	
c) Has technology been fully absorbed	
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Rs.)

	Current Year	Previous Year
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

## ANNEXURE F

### DECLARATION BY CHIEF EXECUTIVE OFFICER

To

The Members  
Galaxy Cloud Kitchens Limited

**Sub: Declaration regarding compliance with the Company's Code of Conduct for Board of Directors and Senior Management Personnel.**

I hereby declare that the Board of Directors and Senior Managerial Personnel of the Company have affirmed their compliances with the Code of Conduct of Board of Directors and Senior Management Personnel for the year ended March 31, 2023.

**For Galaxy Cloud Kitchens Limited**

Place: Mumbai  
Date: 25/08/2023

**Nishant Dholakia**  
**Executive Director and Chief Executive Officer**

## CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2023

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, in terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

### Company's Philosophy on Code of Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of the Company.

During the financial year under review, the Company has complied with all the applicable provisions of the SEBI Listing Regulations.

#### • Audits and internal checks

The Company's accounts are audited by M/s. S A R A & Associates, Chartered Accountants, Mumbai. With respect to Internal Audit, an external firm acting as independent internal auditor reviews internal controls and operating systems and procedures.

With respect to Legal Compliances, the Company conducts its business with high standards of legal, statutory and regulatory compliances.

#### • Observance of Secretarial Standards issued by the Institute of Company Secretaries of India

The Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), are adhered to by the Company.

### Board of Directors

#### Code of Conduct

The members of the Board and Senior Management Personnel have affirmed compliance in terms of Regulation 17 of the SEBI Listing Regulations with the Code of Conduct applicable to them during the year ended March 31, 2023. A declaration signed by the Executive Director and Chief Executive Officer to this effect is attached to this Annual Report. This Code has also been hosted on the Company's website [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in).

#### Composition of the Board

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("**Act**").

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors (ID) in more than seven listed entities; and
- who are the Executive Director serves as IDs in more than three listed entities.

As per Regulation 26 of SEBI Listing Regulations, none of the Directors on the Board is a Member in more than 10 (ten) Committees and/or Chairman in more than 5 (five) Committees, across all public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors.

The Composition of the Board as on March 31, 2023 is as under:

Sr. no.	Name of the Directors	DIN	Category
1.	Mr. Nishant Dholakia	05200058	Executive Director
2.	Mr. Rajesh Mittal	00231710	Independent Director
3.	Mrs. Dimple Somani	09685900	Independent Director
4.	Mr. Manoj Khemka	09686636	Independent Director
5.	Mr. Sunil Biyani	00006583	Non-Executive Director
6.	Mr. Swapnil Kothari	05235636	Non-Executive Director

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No Director is *inter-se*, related to any other Directors on the Board nor is related to the other Key Managerial Personnel of the Company.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

## Meetings and attendance

During the financial year 2022-23, six meetings of Board of Directors were held on April 13, 2022, May 12, 2022, July 26 2022, November 5, 2022, January 23, 2023 and March 27, 2023. The gap between two meetings did not exceed number of days as prescribed in the SEBI Listing Regulations and the Act. Details of meetings and attendance by the Directors of the Company are as under:

Name of Director	No. of Board Meetings		Attended AGM held on September 24, 2022
	Entitled to attend	Attended	
Mr. Nishant Dholakia	4	4	Yes
Mr. Sunil Biyani	6	6	Yes
Mr. Manoj Khemka	3	3	Yes
Mrs. Dimple Somani	3	3	Yes
Mr. Swapnil Kothari	6	6	Yes
Mr. Rajesh Mittal	6	6	Yes

The information on composition of the Board, category and their Directorships/Committee membership across all the Companies in which they are directors as on March 31, 2023:

Name of Directors	Directorships and Category of Directorship in other Listed entity	No. of Directorships		No. of membership/ Chairmanships of Committees in public Companies (including this listed entity)		No. of Equity shares held in the Company
		Public (including this listed entity)	Private	Member-ships	Chairman-ships	
Mr. Nishant Dholakia	Nil	1	0	0	0	0
Mr. Swapnil Kothari	Nil	2	7	2	1	0
Mr. Sunil Biyani	Future Market Networks Limited - Non- Executive Director	2	3	2	0	0
Mr. Manoj Khemka	Nil	1	0	1	0	0
Mrs. Dimple Somani	Nil	1	0	1	1	0
Mr. Rajesh Mittal	Nil	1	1	1	1	0

During FY 2022-23, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration. The Board periodically reviews the compliance reports of all laws applicable to the Company.

None of the Directors of the Company hold any shares in the Company.

## **Independent Directors meeting**

During the year under review, one meeting of the Independent Directors was held on January 23, 2023, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors.

## **Terms of Appointment of Independent Directors**

Terms and conditions of appointment/re-appointment of Independent Directors in terms of Regulation 46 of SEBI Listing Regulations and Section 149 read with schedule IV of the Act are available on the Company's website.

## **Familiarization Programme for Independent Directors**

The familiarisation programme for Independent Directors of Company aims at familiarising them with the overall structure of the Company, their roles, rights, responsibilities therein, nature of the industry in which the Company operates, business model of the Company, etc., in order to provide them with better understanding of the business and operations of the Company. Details of familiarisation programme imparted to Independent Directors is available at website of the Company at [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in).

Matrix setting out skills/expertise/competence as identified by the Board.

The following is the list of core skills /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

- **Corporate Governance**

Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.

- **Financial Expertise**

Knowledge and skills in accounting, finance, treasury management, funding and financial reporting processes.

- **Industry specific**

Vendor Management, Business Development, Technology, Marketing & Communications and Operational efficacy.

- **Personal attributes & qualities**

Leadership, Effective Communication, Honesty, commitment, Professionalism and Independence.

- **Risk management**

Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.

## **Committees of the Board**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. As on March 31, 2023 the Board has Three (3) Committees: Audit Committee, Stakeholders Relationship Committee and Nomination, Remuneration and Compensation Committee. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

### **A. Audit Committee**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

During the financial year 2022-23, the Audit Committee met six times i.e. on April 13, 2022, May 12, 2022, July 26, 2022, November 5, 2022, January 23, 2023 and March 27, 2023 and the time interval between any two Audit Committee

# Report On Corporate Governance

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meetings was not more than 120 days. The Committee's composition meets with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

Composition of the Audit Committee as on March 31, 2023 is as under:

Name of Member	Category	Position	No. of Meetings entitled to attend	No. of Meetings Attended
Mr. Rajesh Mittal	Independent Director	Chairman	6	6
Mr. Swapnil Kothari	Non-Executive Director	Member	6	6
Mrs. Dimple Somani	Independent Director	Member	3	3
Mr. Manoj Khemka	Independent Director	Member	3	3

The Audit Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings. The Board of Directors reviews the minutes of the Audit Committee Meetings at subsequent Board Meetings. The previous AGM of the Company was held on September 24, 2022 and was attended by Mr. Rajesh Mittal, Chairman of the Audit Committee.

Company Secretary and Compliance Officer, acts as a secretary of the Committee.

## Terms of reference of the Audit Committee

Role of the Audit Committee, *inter-alia*, includes the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(5)(c) read with Section 134(3)(c) of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;



- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee; and
- Reviewing the utilization of loans and/ or advances from/investment by the Holding Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

#### Review of information by Audit Committee:

- The Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor and;
- Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange.
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice.

#### B. Nomination, Remuneration and Compensation Committee:

The Nomination, Remuneration and Compensation Committee comprises of two Independent Directors and one Non-Executive Director as on March 31, 2023. The Committee's constitution and terms of reference are in compliance with the Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act.

During the financial year 2022-23, the Nomination, Remuneration and Compensation Committee met three times on May 12, 2022, July 26, 2022 and November 5, 2022 and all the members of the committee present at the meetings. The Board of Directors reviews the minutes of the Nomination Remuneration and Compensation Committee Meetings at subsequent Board Meetings. The Company Secretary acts as the Secretary of the Committee. The previous AGM of the Company was held on September 24, 2022 and was attended by Ms. Dimple Somani, Chairperson of the Committee.

Composition of the Nomination, Remuneration and Compensation Committee as on March 31, 2023 is as under:

Name of Members	Category	Position	No. of Meetings entitled to attend	No. of meetings attended
Mrs. Dimple Somani	Independent Director	Chairperson	1	1
Mr. Rajesh Mittal	Independent Director	Member	3	3
Mr. Swapnil Kothari	Non-Executive Director	Member	3	3

Terms of Reference of the Nomination, Remuneration and Compensation Committee, *inter-alia*, include the followings:

- Formulate of the criteria for determining qualifications, positive attributes and independence of a Directors and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- To devise a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director;
- To recommend to the board, all remuneration, in whatever form, payable to senior management; and
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties;
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

### C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee performs various functions conferred under the SEBI Listing Regulations and Section 178 of the Act, which mainly covers ensuing resolution of grievances of security holders of the Company.

One meeting of the Committee was held on January 23, 2023. The Minutes of the Stakeholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board Meeting. The Company Secretary acts as the Secretary of the Committee as per the requirements of SEBI Listing Regulation. The previous AGM of the Company was held on September 24, 2022 and was attended by Mr. Swapnil Kothari, Chairman of the Committee.

Composition of the Stakeholders' Relationship Committee as on March 31, 2023 is as under:

Name of Members	Category	Position	No. of Meetings entitled to attend	No. of Meetings Attended
Mr. Swapnil Kothari	Non-Executive Director	Chairman	1	1
Mr. Sunil Biyani	Non-Executive Director	Member	1	0
Mr. Rajesh Mittal	Independent Director	Member	1	1

The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act.

**Terms of Reference of the Stakeholders' Relationship Committee, *inter-alia*, includes the following:**

- Resolving the grievances of security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- To review the adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company;
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Based on the report received from the Company's Registrars and Share Transfer Agent, during the year ended March 31, 2023, no investor complaints were received and no complaints were outstanding as on March 31, 2023.

## Performance evaluation criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the Nomination Remuneration and Compensation Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

## Remuneration Policy

The Company believes that human resource is the key for the continuous growth and development of the Company. The Company's Remuneration Policy is designed to attract, retain and motivate employees by offering appropriate remuneration packages and retiral benefits and also rewarding performance of key employees by offering employee stock options to contribute and participate in the overall corporate growth, profitability and financial success of the organisation. The Remuneration Policy is in consonance with the existing industry practice.

### A. Remuneration structure of Directors:

- i. Independent/Non-Executive Directors receive remuneration by way of sitting fees for attending meetings of Board and Board Committees (where they are members) subject to ceiling/ limits as provided under the Act and rules made thereunder or any other enactment for the time being in force.
- ii. No remuneration other than sitting fees has been paid to any of the Directors except to Executive Director.
- iii. The remuneration/ compensation/ commission etc. to be paid to Whole-Time Director(s) / Executive Director shall be as per their employment contract/ terms of appointment, subject to the limits and conditions under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approval of the shareholders.

### B. Remuneration structure of Key Managerial Personnel (KMP) and Senior Management Personnels is as detailed hereunder:

- i. The compensation of KMP and Senior Management Personnel shall be approved by the Nomination, Remuneration and Compensation Committee.
- ii. The compensation of KMP and Senior Management Personnel is done keeping in consideration the prevailing market value of the resource, criticality of role and internal parity of the team.
- iii. The remuneration structure of KMPs and Senior Management personnel may include a variable performance linked component.

Remuneration Paid to Directors in the financial year 2023:

(Amount in Rs.)

Name of Directors	Sitting Fees Paid*	Salaries, allowances and perquisites	Total
Mr. Sunil Biyani	1,50,000	-	1,50,000
Mrs. Dimple Somani	1,70,000	-	1,70,000
Mr. Swapnil Kothari	3,40,000	-	3,40,000
Mr. Manoj Khemka	1,60,000	-	1,60,000
Mr. Rajesh Mittal	3,50,000	-	3,50,000
Mr. Nishant Dholakia	-	Rs. 51,00,601	-

\*Notes:

- Sitting fees include payment to the Directors for attending meetings of Board, Audit Committee, Nomination Remuneration and Compensation Committee, Stakeholders Relationship Committee and Meeting of Independent Directors.

## **C. Service contract / notice period / severance fees**

Terms of service are governed in terms of respective Service Contracts and in terms of resolutions passed by the Shareholders of the Company.

### **Board Meeting**

#### **Scheduling and selection of agenda items for Board Meetings**

Board Meetings are governed by structured agenda. The Company Secretary draft the agenda for each meeting, in consultation with Chief Financial Officer and Executive Director and distribute these in advance to the Directors. Every Board member can suggest the inclusion of additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of AGM. However with the Board being represented by independent Directors from various parts of the country, it may not be possible for each one of them to be physically present at all the meetings. Hence, we provide video/teleconferencing facilities to enable their participation. The board members are expected to rigorously prepare for, attend and participate in Board and applicable committee meetings. Each member is expected to ensure their current and planned future commitments do not materially interfere with their responsibilities with us.

Detailed presentations are made at the Board / Committee meetings covering Finance, major business segments and operations of the Company, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations. During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors.

#### **Recording minutes of proceedings at Board and Committee meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Board Committee members for their comments. Thereafter, after considering the comments minutes are finalized and placed before the next meeting for noting.

#### **Post meeting follow-up mechanism**

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board / Board Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Board Committee for noting.

#### **Selection of new Directors**

The Board is responsible for selection of new Directors. The Board delegates the screening and selection process to the Nomination, Remuneration and Compensation Committee which consist majority of Independent Directors. The Committee, based on defined criteria, makes recommendations to the Board on the induction of new Directors.

The Nomination, Remuneration and Compensation Committee, works with the entire Board to determine the appropriate characteristic's skills and experience required for the Board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth.

#### **Compliance Officer**

Ms. Neelu Jain, Company Secretary and Compliance Officer resigned from the services of the Company with effect from May 6, 2023.

The Company is in the process of appointing a Company Secretary and Compliance Officer and the same shall be done within the prescribed timelines.

#### **Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons**

The Company's Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons as adopted by

the Company, *inter-alia*, prohibits dealing in the securities of the Company by Designated Persons while in possession of unpublished price sensitive information in relation to the Company.

### Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Board has also laid down the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosures”) in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, with a view to regulate communication of unpublished price sensitive information for any purpose other than the legitimate purpose as defined under the said Code of Fair Disclosures. The Code of Fair Disclosure is hosted on Company’s website [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in)

### Risk Management

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company.

The Audit Committee / Board of Directors periodically review the risk assessment and minimization procedures and ensures that executive management controls risk through means of properly defined framework.

The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis forming part of this Annual Report.

### Certificate from Company Secretary in Practice

M/s. Nidhi Bajaj and Associates., Practicing Company Secretaries, has issued a certificate as required under Regulation 34(3) and Schedule V Para C clause (10)(i) of SEBI Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authorities. The certificate is annexed to this Report.

### Means of Communication

Website	Your Company maintains a website <a href="http://www.galaxycloudkitchens.in">www.galaxycloudkitchens.in</a> . The website provides details, <i>inter-alia</i> , about the Company, its performance including quarterly financial results, annual reports, press release, shareholding pattern, contact details etc.
Quarterly/ Annual Financial Results	Generally published in Business Standard (English Daily Newspaper) and Mumbai Lakshadweep (Marathi Newspaper). The results are also uploaded by BSE on their Website <a href="http://www.bseindia.com">www.bseindia.com</a> .
Stock exchanges	All periodical information, including the statutory filings and disclosures are filed with BSE. The filings required to be made under the SEBI Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre.
Investor servicing	A separate e-mail id <a href="mailto:investors@galaxycloudkitchens.in">investors@galaxycloudkitchens.in</a> has been designated for the purpose of registering complaints by shareholders or investors.

### General Body Meetings

The Company convenes Annual General Meeting (“AGM”) within the stipulated time period. The details of the Special Resolutions passed at the previous three AGM are given below:

#### a. Details of the Special Resolutions passed at the previous three AGM:

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
2019-20	Tuesday, September 29, 2020, 11:30 a.m.	through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’)	■ No special resolutions were passed.
2020-21	Thursday, September 30, 2021, 11:00 a.m.	through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’)	■ No special resolutions were passed.
2021-22	Saturday, September 24, 2022, 11:00 a.m	through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’)	■ Appointment of Ms. Dimple Somani (DIN: 09685900) as Independent Director ■ Appointment of Mr. Manoj Khemka (DIN: 09686636) as Independent Director

**b. Extraordinary General Meeting:**

No extraordinary general meeting of the members were held during the financial year 2022-23.

**c. Details of Postal Ballot:**

During the financial year 2022-23, the Company approached shareholders through postal ballot to pass three resolutions:

Details of the Resolutions passed through Postal Ballot:

Description	Type of resolution	No. of votes Polled	Votes cast in favour	Votes cast against	Invalid votes/abstain votes
Appointment of Mr. Swapnil Kothari (DIN: 05235636) as Director of the Company	Ordinary Resolution	83	21118509	10556	0
Appointment of Mr. Nishant Dholakia (DIN: 05200058) as Executive Director of the Company	Ordinary Resolution	82	21118506	10556	3
Re-classification of outgoing promoters to "Public" shareholder category	Ordinary Resolution	78	16937275	10559	4181231

The Company had appointed Mr. Amit Samani and Associates (Membership No. 7966) as the Scrutinizer to conduct the Postal Ballot process. The postal ballot process was carried out in a fair and transparent manner. E-voting facility was offered to the Shareholders for the postal ballot. The Company had followed the procedure relating to E-voting pursuant to applicable provisions of the Companies Act, 2013 read with Rules thereto and the provisions of the SEBI Listing Regulations. The results of postal ballot were also posted on the website of the Company.

**Details of non-compliance:**

The Company has complied with all the requirements of regulatory authorities. There were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter relating to the capital markets.

**Disclosures of the compliance with Corporate Governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations.**

Your Company has made adequate disclosures with respect to the compliance with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, to the extent applicable.

**Auditor's Certificate on corporate governance:**

As per Regulation 34 (3) read with Schedule V of the SEBI Listing Regulations, the auditor's certificate on corporate governance received from Nidhi Bajaj & Co., Practising Company Secretaries, forms part of the Annual Report.

**Statutory Auditors:**

M/s. S A R A & Associates, Chartered Accountants (Firm Registration No. 120927W) has been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis for the financial year 2022-23 is given below:

Particulars	Amount (in Rs.)
Audit Fees	2,60,000
Tax Audit Fees	1,75,000
Limited Review Fees	1,30,000
Other services	67,500
<b>Total</b>	<b>6,32,500</b>

**Related Party Transactions**

All transactions entered into during the financial year 2022-23 with Related Parties as defined under the Act and SEBI Listing Regulations were in the ordinary course of business and on an arm's length basis. All related party transactions were reviewed and approved by the Audit Committee and the material related party transactions were approved by the members. The details



of related party transactions are given in notes forming part of the Financial Statements for the year ended March 31, 2023.

Policy on dealing with related party transactions is available on the website of the Company at [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in).

### **Disclosure of Loans and advances (in the nature of loans) to firms/companies in which directors are interested**

During the financial year 2022-23, the Company has not provided loans and advances (being in the nature of loans) to firms / companies in which any of the Directors of the Company are interested.

### **Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company**

There were no other transactions with any entity forming part of Promoter Group and holding more than 10% of the shareholding in the Company.

### **Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

### **Code of Conduct**

The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2023. The Integrated Annual Report of the Company contains a certificate by the Executive Director, on the compliance declarations received from the members of the Board and Senior Management.

### **Whistle Blower Policy/Vigil Mechanism**

The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company. The whistle blower policy, *inter-alia*, provides a direct access to the Chairperson of the Audit Committee. The establishment of vigil mechanism is available on the website of the Company at [www.galaxycloudkitchens.in](http://www.galaxycloudkitchens.in).

### **Policy for determination of material subsidiary**

The Company does not have any material unlisted subsidiary Company. However, the Company has a policy for determining material subsidiaries of the Company, which is disclosed on its website.

### **Policy on Archival and Preservation of Documents**

The Company has adopted the said policy.

### **Disclosure in relation to Sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on end of financial year
	None	

### **Compliance with mandatory requirements**

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

### **Discretionary Requirements (Part E of Schedule II of SEBI Listing Regulations):**

- Chairman of the Board:** At present, the Board does not have Chairman. The Company did not maintain a Chairman's office at the Company's expense or reimburse expenses incurred in performance of his duties, during the year under review.
- Shareholders' Rights:** Quarterly and half yearly financial results of the Company are furnished to the Stock Exchange and are also published in the newspapers and uploaded on website of the Company. Hence, half yearly results were not separately sent to shareholders. Significant events are also posted on the Company's website under the Investors Section. The complete Annual Report is sent to every shareholder of the Company.
- Modified opinion(s) in audit report:** During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices and has ensured a track record of financial statements with unmodified audit opinion.



# Report On Corporate Governance

Annual Report 2022-2023

4. **Reporting of Internal Auditor:** Internal Auditors of the Company make quarterly presentations to the audit Committee on their report.

**General Shareholders information:**

a. **Corporate Identity Number (CIN) of the Company:** L15100MH1981PLC024988.

**b. Annual General Meeting**

Date : September 29, 2023

Time : 11: 30 a.m.

Venue : The Company is conducting meeting through VC/OAVM pursuant to the circulars issued by MCA and as such there is no requirement to have a venue for the AGM. For details please refer to the notice of the AGM

c. **Financial Year :** April 1, 2022 to March 31, 2023

**d. Dividend:**

During the year under review, the Board of Directors of the Company has not recommended any dividend for the financial year ended March 31, 2023.

**e. Financial Calendar for 2023-24:**

Financial year is April 1 to March 31 and financial results will be declared as per the following schedule.

Quarter ending June 30, 2023 : Mid-August, 2023

Quarter ending September 30, 2023 : Mid November, 2023

Quarter ending December 31, 2023 : Mid February, 2024

Annual Result of 2023-24 : End May, 2024

**f. Listing of Equity Shares on Stock Exchange:**

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

**g. Listing fees:**

Listing fees as applicable have been paid to the stock exchange where the shares of the Company are listed.

**h. Scrip Code:** 506186

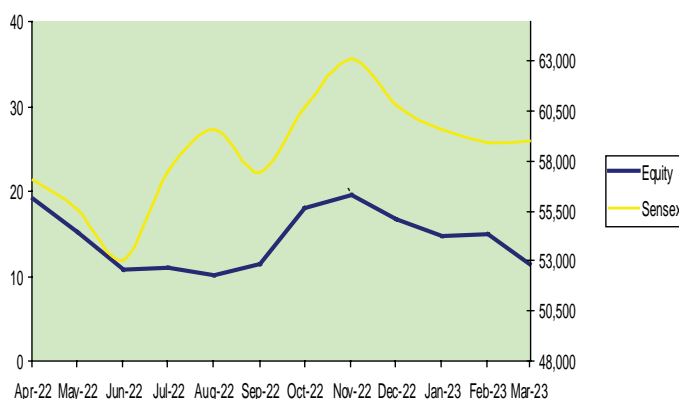
ISIN - INE403B01016

**i. Stock performance**

High, lows and Volumes of GCKL from April 1, 2022 to March 31, 2023 at BSE.

Month	BSE		
	High (Rs.)	Low (Rs.)	Total number of equity Shares Traded
April 2022	23.50	16.50	76,778
May 2022	20.00	13.50	95,244
June 2022	18.10	10.10	94,164
July 2022	12.10	10.15	1,19,882
August 2022	12.35	9.79	2,97,721
September 2022	12.40	9.09	4,78,437
October 2022	23.52	10.80	7,77,475
November 2022	20.55	15.00	1,36,041
December 2022	20.25	16.10	2,22,310
January 2023	17.95	14.25	1,85,981
February 2023	16.56	12.20	1,97,569
March 2023	15.50	10.76	93,682

Performance of the Stock in BSE



## j. Distribution of Shareholding

The performance comparison is based on the closing price / Sensex on the last trading day of the month.

The distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on March 31, 2023 is as below:

### i. Distribution of equity shareholding as on March 31, 2023:

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 – 500	3,38,442	0.75	3,045	81.18
501 – 1000	2,39,098	0.53	286	7.62
1001 – 2000	2,56,836	0.57	167	4.45
2001 – 3000	1,59,196	0.35	62	1.65
3001 – 4000	1,49,723	0.33	42	1.12
4001 – 5000	1,36,668	0.30	29	0.77
5001 – 10000	3,25,454	0.72	44	1.17
10001-999999	4,33,32,257	96.43	76	2.03
<b>Total</b>	<b>4,49,37,674</b>	<b>100.00</b>	<b>3751</b>	<b>100.00</b>

### ii. Categories of equity shareholding as on March 31, 2023:

Categories	As on March 31, 2023	
	No. of equity Shares	Percentage of holding
Promoters, Relatives and Associates	2,19,58,957	48.87
Directors	-	-
Foreign Institutional Investor/ Mutual Funds	-	-
Public Financial Institutions / State Financial Corporation / Insurance Companies	-	-
Mutual Funds (Indian) and UTI	-	-
Nationalized and other Banks	-	-
NRI / OCBs	89,118	0.20
Public	56,81,429	12.64
Others (CM/Other Body Corporate/HUF/Trusts/Foreign Portfolio Investor (Corporate))	1,72,08,170	38.29
<b>Total</b>	<b>4,49,37,674</b>	<b>100.00</b>

## k. Dematerialization of Shares

The bifurcation of shares held in physical and demat form as on March 31, 2023 are given below:

Particulars	No. of Shares	Percentage
Physical Segment	60,291	0.13
Demat Segment	4,48,77,383	99.87
NSDL	2,86,47,935	63.75
CDSL	1,62,29,448	36.12
<b>Total</b>	<b>4,49,37,674</b>	<b>100.00</b>

## l. Share Transfer system:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. In view of this, investors are advised and recommended to dematerialise the security of the Company held by them at earliest to avoid any delay for transfer.

## m. Outstanding GDR/ADR or warrants or any convertible instruments

The Company has not issued any GDRs/ADRs/Warrants etc. during the financial year 2022-23. There are no outstanding GDR/ADR or warrants or any convertible instruments as on March 31, 2023.

## n. Commodity price risk or foreign exchange risk and hedging activities

The business operations of the Company were carried out within the country. Hence, there is no material exposure of the foreign exchange which may have any adverse impact on the financial position of the Company. Accordingly, there is no requirements of hedging the foreign exchange risk.

## o. Plant locations

The Company is engaged in business of manufacturing of food and confectionary items. It operates at Mumbai and Guragram as on March 31, 2023.

## p. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations

During the year under review, the Company has not raised any fund through preferential allotment or qualified institutions placement.

## q. Address for correspondence:

### i. Any Query on Annual Report:

Mr. Nishant Dholakia  
 Executive Director and Chief Executive Officer  
 Knowledge House, Shyam Nagar,  
 Off Jogeshwari-Vikhroli Link Road  
 Jogeshwari (East), Mumbai 400060.  
 Phone: 022 28039405  
 Email Id for investors: investors@galaxycloudkitchens.in  
 Website: www.galaxycloudkitchens.in

**ii. Investors correspondence:**

Registrar and Transfer Agent

TSR Consultants Private Limited

(formerly known as TSR Darashaw Consultants Private Limited)

C-101, 1<sup>st</sup> Floor, 247 Park,

Lal Bahadur Shastri Marg,

Vikhroli (West), Mumbai 400 083.

Phone: + 91 8108118484

Email Id: [csg-unit@tcplindia.co.in](mailto:csg-unit@tcplindia.co.in)

Website: [www.tcplindia.co.in](http://www.tcplindia.co.in)

- r. **Credit Rating:** No credit rating has been obtained by the Company during the year under review.
- s. **Unclaimed shares:** No shares lying in the unclaimed suspense account as on March 31, 2023.
- t. The Company has paid custodial fees for the year 2022-2023 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them.

## MD / CFO Certification

The Members,

### Galaxy Cloud Kitchens Limited

Sub: Compliance certificate under Regulation 17(8) read with Part B of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that for the financial year ended 31<sup>st</sup> March, 2023:

1. We have reviewed the financial statements and the cash flow statement for the financial year as aforesaid and to the best of our knowledge and belief:
  - a. these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards (Ind AS), applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct for Directors and Employees;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems for financial reporting of the Company and there were no deficiencies in the design or operation of such internal controls; and
4. We have indicated to the Auditors and the Audit Committee:
  - a. that there were no significant changes in internal control, over financial reporting, during the year;
  - b. all significant changes in the accounting policy during the year, if any, have been disclosed in the notes in respective place in the financial statement; and
  - c. there were no instance of fraud, of which we have become aware of.

**For Galaxy Cloud Kitchens Limited**

**Nishant Dholakia**  
**Executive Director and**  
**Chief Executive Officer**

**Prince Singh**  
**Deputy Chief Financial Officer**

# Report On Corporate Governance

Annual Report 2022-2023

**CERTIFICATION OF NON-DISQUALIFICATION OF DIRECTORS AS ON 31<sup>st</sup> MARCH, 2023**  
**(As per Clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Regulation 34(3) of the said Listing Regulations)**

The Members

**Galaxy Cloud Kitchens Limited**

**CIN: L15100MH1981PLC024988**

Knowledge House, Shyam Nagar,  
Off. Jogeshwari- Vikhroli Link Road,  
Jogeshwari (E) Mumbai MH 400060

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority.

**For Nidhi Bajaj & Associates**

**Company Secretaries**

**Nidhi Bajaj**

**Proprietor**

**ACS – 28907, COP - 14596**

**UDIN: A028907E000260512**

**Date: 05<sup>th</sup> May, 2023**

**Place: Mumbai**

1. Industry structure and developments.
2. Opportunities and Threats.
3. Internal control systems and their adequacy
4. Material developments in Human Resources / Industrial Relations front, including number of people employed
5. Discussion on financial performance with respect to operational performance.

The food manufacturing industry in India has witnessed significant growth and transformation in recent years. With a population of over 1.3 billion, there is a massive market potential for food products and a growing demand for quality, convenient, and diverse food options.

## 1) Brief overview of the industry's structure and its development in the recent past and immediate future:

### Structure of the Food Manufacturing Industry:

- a. Organized Sector:** The food manufacturing industry in India consists of both organized and unorganized sectors. The organized sector comprises large-scale food processing companies, multinational corporations, and established brands. These players have state-of-the-art manufacturing facilities, robust supply chains, and a wide distribution network.
- b. Unorganized Sector:** The unorganized sector mainly comprises small-scale and cottage industries involved in traditional food processing and preservation methods. They often operate on a local or regional scale and cater to specific markets or communities.

### Recent Past Developments:

- a. Technological Advancements:** The food manufacturing industry in India has embraced technology and innovation to improve efficiency, quality, and safety. Advancements in food processing machinery, packaging techniques, and automation have helped companies scale up operations and meet the demand for processed and packaged food products.
- b. Changing Consumer Preferences:** There has been a notable shift in Indian consumers' preferences, with a growing demand for healthier, organic, and natural food options. This has prompted food manufacturers to adapt their product portfolios by introducing healthier alternatives, fortified foods, and products with clean labels.
- c. Rise in Food Start-ups:** Indian consumers' willingness to experiment with different cuisines, coupled with the availability of delivery platforms, has contributed to the emergence of numerous food start-ups. These start-ups focus on niche offerings, personalized experiences, and innovative food products, thus adding diversity and dynamism to the food manufacturing industry.

### Immediate Future Outlook:

- a. Increasing Government Support:** The Indian government has recognized the potential of the food manufacturing industry and is actively supporting its growth through various initiatives. This includes infrastructure development, tax incentives, and favorable policies aimed at promoting investments, R&D, and entrepreneurship in the sector.
- b. Demand for Convenience Foods:** The convenience food segment is expected to witness significant growth in the near future. Hectic lifestyles, urbanization, and dual-income households are driving the demand for ready-to-eat meals, packaged snacks, and quick meal solutions. Food manufacturers are likely to focus on producing and marketing convenient food products to cater to this market.
- c. Sustainable and Ethical Practices:** With an increased focus on sustainability, food manufacturers are expected to adopt eco-friendly practices, reduce food waste, and incorporate ethical sourcing methods. Consumers are becoming more conscious about the environmental impact and ethical considerations related to the food they consume, leading to a shift towards eco-friendly and socially responsible food manufacturing practices.

In conclusion, the food manufacturing industry in India has experienced significant developments in recent years due to technological advancements, evolving consumer preferences, and a rise in food start-ups. Looking ahead, the sector is expected



to witness further growth driven by government support, the demand for convenience foods, and a shift towards sustainable and ethical practices. The industry's structure is likely to continue comprising both organized and unorganized sectors, each playing a vital role in fulfilling the diverse needs of Indian consumers.

## 2) Opportunities and Threat

### Opportunities:

- 1. Growing Demand:** The rising population, increasing urbanization, and changing consumer preferences present a significant opportunity for the food manufacturing industry to cater to the growing demand for diverse and convenient food products.
- 2. Expanding Middle Class:** The expanding middle class in India, with higher disposable incomes and evolving lifestyles, is driving the demand for processed and packaged foods, creating opportunities for food manufacturers to introduce new products and expand their market share.
- 3. Export Potential:** India's food manufacturing sector has immense export potential, with its rich agricultural resources, diverse food production capabilities, and proximity to key global markets. Food manufacturers can tap into the export market by developing high-quality, distinct, and value-added products.
- 4. Government Support:** The Indian government has been actively promoting the food manufacturing sector through initiatives such as Make in India, Food Processing Infrastructure Development Fund, and foreign direct investment (FDI) incentives. These provide opportunities for investments, technology transfer, and infrastructure development.

### Threats:

- 1. Competition:** The food manufacturing industry in India is highly competitive, with both domestic and multinational players vying for market share. Increased competition can lead to price wars, reduction in profit margins, and the need for continuous innovation to stay ahead.
- 2. Food Safety and Quality Concerns:** Food safety and quality concerns can pose a threat to the industry. Instances of adulteration, contamination, and compliance issues can damage consumer trust and brand reputation, leading to financial and legal repercussions.
- 3. Rising Input Costs:** Fluctuations in commodity prices, energy costs, and transportation expenses can impact the profitability of food manufacturers. Rising input costs can squeeze profit margins and make it challenging to maintain competitive pricing.
- 4. Regulatory Challenges:** The food manufacturing industry in India is subject to various regulations and compliances related to food safety, labeling, licensing, and packaging. Strict regulations and changing norms can create challenges for small-scale producers and those in the unorganized sector who may struggle to meet the required standards.
- 5. Consumer Awareness and Changing Preferences:** Increasing consumer awareness about health and nutrition, sustainable practices, and ethical considerations can pose challenges for food manufacturers. Companies need to adapt to changing preferences, incorporate healthier ingredients, and adopt sustainable practices to stay relevant and meet consumer expectations.

In conclusion, while the food manufacturing industry in India offers significant opportunities driven by a growing consumer base, expanding middle class, and government support. It also faces threats such as competition, food safety concerns, rising input costs, regulatory challenges, and changing consumer preferences. Your Company navigates these challenges effectively to sustain growth and profitability in the industry.

## 3) Internal control systems and their adequacy.

At GCKL, internal control systems and procedure are adequately commensurate with the size and structure of the business. The operating and business control procedures have been planned and implemented in a manner that ensures efficient use of resources, as well as compliance with procedures and regulatory requirements.

The Company has engaged a firm of Internal Auditors to carry out audits extensively throughout the year with the objective of testing the adequacy and effectiveness of internal controls and recommending improvements.

The Audit Committee hold discussions with auditors periodically about internal control systems, the scope of audit including the observations and reviews of the quarterly, half yearly and annual financial statements before submission to the Board. The Audit Committee ensures compliance of internal control systems.

#### 4) Human Resources/Industrial Relation Font:

The industrial relations across different locations of the Company were cordial during the year. The Company has, over the last few months, built the team necessary to be able to build and execute the vision that has been articulated in the preceding paragraphs. There were 105 permanent employees on the rolls of Company as on March 31, 2023 and for the previous year there were 236 employees.

#### 5) Financial performance with respect to operational performance

##### Sales:

The Company achieved total revenue of Rs. 3209.12 lakhs during the financial year ended March 31, 2023 in comparison to Rs. 4074.08 lakhs in previous twelve months.

##### Profit/Loss after Tax:

The Company recorded a loss of Rs. 899.59 Lakhs for financial year ended March 31, 2023 in comparison Net Profit of Rs. 89.61 lakhs in previous financial year.

##### Finance Cost:

Finance Cost Increase from Rs. 78.31 lakhs incurred in previous twelve months of 2021-22 to Rs. 107.26 lakhs for financial year ended March 31, 2023. The increase in the finance cost is due to Inter corporate deposit loan taken.

##### Dividend:

The Board of Directors has not recommended any dividend for the year under review.

##### Equity Share Capital:

There have been no change in the Equity share capital of the Company during the year under review. The equity share capital of the Company is Rs. 44,93,76,740/- divided into 44937674 equity shares of Rs. 10/- each.

##### Earnings Per Share (EPS):

The Company's Basic EPS has decrease from Rs. 0.19 in previous financial year to Rs. (2.00) per share for the current financial year ended March 31, 2023.

##### Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward - looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include domestic and global environment; supplies and demand conditions affecting prices of final product and service, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

# Independent Auditor's Report

Annual Report 2022-2023

## To The Members of Galaxy Cloud Kitchens Limited (Formerly known as Galaxy Entertainment Corporation Limited) Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Galaxy Cloud Kitchens Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statement, including a summary of significant accounting policies and other explanatory information (herein after 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 loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We have conducted our audit 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 Auditors 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 together with the ethical requirements that are relevant to our audit of the financial statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 31 in the financial statements, which indicates that, entire net worth of the Company has been eroded due to losses incurred in the current year and its current liabilities exceed its current assets, these events or conditions, along with other matters as set forth in Note 31, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

### Emphasis of Matter

We draw attention to Note 28 in the financial statements, which discloses a significant item related to discontinued operations in Hosur road Factory, Bangalore. The Assets Held for sale of ₹ 1805.31 Thousand and the loss from discontinued operations amounting to ₹ 54,450.96 Thousand which have material implications on the financial statements. The users are advised to carefully consider these disclosures for a comprehensive understanding of the financial position and performance of the entity.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

# Independent Auditor's Report

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Key Audit Matters	Principal audit procedure performed
<p>Provision for Doubtful Debts</p> <p>The company has provided provision for Doubtful Debts amounting to ₹ 13,434.45 (In thousands).</p>	<p>i. The management has made provision as per The Expected Credit Loss ('ECL') approach which involves an estimation of probability weighted loss on financial instruments over their life considering reasonable and supportable information about past events current conditions and forecasts of future economic conditions which could impact the credit quality of the company's Loans And Advances.</p> <p>ii. In the process, the company has estimated a probability of default which could impact the Receivables of the company and therefore, a significant degree of judgment has been applied by the management for:</p> <ul style="list-style-type: none"> <li>• Staging of Receivables [i.e. classification in 'Significant Increase In Credit Risk' ('SICR') and 'default' categories].</li> <li>• Grouping of Debtors based on homogeneity by using appropriate statistical techniques.</li> <li>• Estimation of behavioral life.</li> <li>• Determining macro-economic factors impacting credit quality of receivables.</li> <li>• Estimation of losses for Receivables with no/minimal historical defaults.</li> </ul> <p><b>Principal audit procedures performed</b></p> <ul style="list-style-type: none"> <li>• We have evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.</li> <li>• Assessed the criteria for staging of Receivables based on their past-due status to check compliance with requirement of IndAS 109.</li> <li>• Tested the ECL model including assumptions and underlying computation.</li> </ul>

## Information Other than the Financial Statement 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 information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

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 statement our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement 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 Statement

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 financial statement that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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.

# Independent Auditor's Report

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

## Auditor's Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement 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 statement.

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 statement, 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 system 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 statement 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 statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statement 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 statement.

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 the 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 statement 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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.

# Independent Auditor's Report

Annual Report 2022-2023

2. As required by Section 143(3) of the Act, 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 purposes 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 loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statement 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 31st March, 2023 taken on record by the Board of Directors, none of the director 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 Company and the operating effectiveness of such controls refer to our separate report in "Annexure B";
  - g. 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:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement;
    - ii. The Company did not have any long-term contracts including derivative contracts hence the question of making a provision for any resulting material foreseeable losses does not arise; and;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, 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, whether, 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;
  - (b) The Management has represented, that, to the best of its knowledge and belief, 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, whether, 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;
  - (c) Based on the audit procedures that have 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) contain any material misstatement.

**For S A R A & Associates**  
**Chartered Accountants**  
**Firm Registration No: 120927W**

**YOGESH RAWAL**  
**Partner**  
**Membership No: 146464**  
**Place: Mumbai**  
**Date: 24/5/2023**  
**UDIN No: 23146464BGWHTN1525**

# Annexure A To The Independent Auditor's Report

Annual Report 2022-2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF GALAXY CLOUD KITCHEN LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- i. (a) (A) According to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situations of all Property, Plant & Equipment (PPE);  
(B) According to information and explanations given to us, there are no intangible assets, accordingly, clause 3(i) (a) (B) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, Property Plant & Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the does not hold immovable properties. Accordingly, clause 3(i) (c) of the Order is not applicable to the Company.
- (d) According to information and explanations given to us and on the basis of our examination of the records of company, the company has not revalued it's PPE during the year. Accordingly, provisions of Clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to information and explanations given to us and on the basis of our examination of the records of company, no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, provisions of Clause 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) As explained to us, inventory has been physically verified by the management during the year and no material discrepancies were noticed. Except for the Inventory held in Hosur road Factory Bangalore consist of 45% of the total Inventory due to the ongoing strikes.
- (b) According to information and explanations given to us and on the basis of our examination of the records of company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions during the year on the basis of security of current assets.
- iii. The company has not made investment in, provided any guarantee or security or granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties. Therefore, the provisions of the Clause 3(iii)(a), (b), (c), (d), (e) & (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us the company has not given/made any loans, investments, guarantees, and security accordingly provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the service rendered by the company.
- vii. (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, sales tax, custom duty, value added tax, goods & service tax, cess and any other statutory dues with the appropriate authorities and no such dues are outstanding for more than six months from the date they become applicable.



# Annexure A To The Independent Auditor's Report Annual Report 2022-2023

- (b) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Custom Duty and Excise Duty, Value Added Tax, Goods and Service Tax, Cess as at March 31, 2023 which have not been deposited on account of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount in Thousands (₹)	Period to which the amount relates	Forum where dispute is pending
West Bengal Sales Tax	Sales Tax	81.21	F.Y. 2011-12	Joint Commissioner of Sales Tax

- viii. According to information and explanations given to us, there are no transactions which are not recorded in the books of account and have been disclosed or surrendered before the tax authorities as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- ix. In our opinion, and according to the information and explanations given to us, the Company has borrowed money during the year. However it duly made payment along with interest. Therefore the provisions of the Clause 3(ix)(a), (b) of the Order are not applicable to the Company.
- (c) The company has not raised any term loans during the year; accordingly, clause 3(ix) (c) of the Order is not applicable to the Company.
- (d) According to information and explanations given to us, the funds raised on short term basis have been utilised for short term purposes accordingly, clause 3(ix) (d) of the Order is not applicable to the Company.
- (e) According to information and explanations given to us, the company does not have subsidiaries, associates or joint ventures. Therefore clause 3(ix) (e) (f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us, the Company has not raised any fund by way of public offer, further public offer (including debt instruments) and term loans. Accordingly, the Clause 3(x)(a) of the order are not applicable to the company.
- (b) The company has not made any Preferential Allotment or Private placement of share or Convertible Debentures during the year. The Clause 3(x) (b) of the order are not applicable to the company.
- xi. (a) According to the information and explanations given to us, no material fraud has been noticed or reported during the year.
- (b) 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) During the year no whistle-blower complaints has been received by the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting as per paragraph 3(xii) of the Order is not required.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable Indian Accounting Standards.
- xiv. The company has proper Internal Audit system in accordance with it's size and business activities and the reports of the internal auditors for the period under audit have been considered by us.
- 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 any non-cash transactions with its directors or persons connected with them. Accordingly, reporting as per paragraph 3(xv) of the Order is not required.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

# Annexure A To The Independent Auditor's Report

Annual Report 2022-2023

- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.
  - (d) The Group does not have CIC as part of the Group Accordingly, clause 3(xvi)(d) of the Order is not applicable to the Company
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company the company has incurred cash losses in the financial year. The amount of cash losses ₹ 9,21,30.86 thousand for the period (P.Y. ₹ 2953 thousand).
- xviii. There has not been any resignation of Statutory Auditor during the financial year. Accordingly, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.
- xix. 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 and our knowledge of the Board of Directors and Management plans and based on our examination, we have identified a material uncertainty regarding the Company's adverse financial ratios, these adverse ratios indicate a potential risk to the Company's financial position and performance, raising uncertainty about its ability to meet its financial obligations and sustain its operations in the foreseeable future. Refer note no. 31.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to transfer any unspent amount to Funds specified in Schedule VII under Corporate Social Responsibility, therefore the provisions of Clause 3(xx) of the Order are not applicable to the Company.
- xxi. The company is not required to prepare consolidated financial statement, therefore the provisions of Clause 3(xxi) of the Order are not applicable to the Company

**For S A R A & Associates**  
**Chartered Accountants**  
**Firm Registration No: 120927W**

**YOGESH RAWAL**  
**Partner**  
**Membership No: 146464**  
**Place: Mumbai**  
**Date: 24/5/2023**  
**UDIN No: 23146464BGWHTN1525**

# Annexure B To The Independent Auditor's Report Annual Report 2022-2023

The Annexure referred to in paragraph 1(A)(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date,

## **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 Galaxy Cloud Kitchens Limited (Formerly known as 'Galaxy Entertainment Corporation Limited') ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statement 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.

### **Auditor's 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 issued by ICAI (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 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 statement, 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 statement 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 statement 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 statement.

### **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 B To The Independent Auditor's Report

Annual Report 2022-2023

## 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 S A R A & Associates**  
**Chartered Accountants**  
**Firm Registration No: 120927W**

**YOGESH RAWAL**  
**Partner**  
**Membership No: 146464**  
**Place: Mumbai**  
**Date: 24/5/2023**  
**UDIN No: 23146464BGWHTN1525**

# Balance Sheet

as at 31st March, 2023

Annual Report 2022-2023

(₹ in thousand)			
Particulars	Note Nos	As at 31st March, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, Plant and Equipment			
i) Property, Plant and Equipment	3	70,890.77	1,12,377.76
ii) Capital Work in Progress		6,849.71	-
iii) Right to use asset	3	23,538.60	47,860.45
Financial Assets			
Other Non Current Financial Assets	4	15,822.56	15,712.54
Other Non Current Assets	5	1,305.54	2,892.68
<b>Total Non- Current Assets</b>		<b>1,18,407.18</b>	<b>1,78,843.43</b>
<b>Current Assets</b>			
Inventories	6	14,318.46	22,378.81
Financial Assets			
Trade Receivables	7	34,111.74	59,940.06
Cash and Cash Equivalents	8	660.36	1,326.36
Other financial asset	9	6,087.20	9,844.77
Other Current Assets	10	14,687.96	22,652.92
Assets held for Sale		1,805.31	-
<b>Total Current Assets</b>		<b>71,671.03</b>	<b>1,16,142.92</b>
<b>Total Assets</b>		<b>1,90,078.21</b>	<b>2,94,986.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	11	4,49,376.74	4,49,376.74
Other Equity	12	(5,22,020.95)	(4,37,467.95)
<b>Total Equity</b>		<b>(72,644.21)</b>	<b>11,908.79</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
Financial Liabilities :			
Lease Liabilities	13	8,744.48	46,199.99
Non Current Provisions	14	2,572.93	7,595.32
<b>Total Non Current Liabilities</b>		<b>11,317.41</b>	<b>53,795.31</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Current Borrowings	15	74,562.82	1,532.07
Lease Liabilities	16	15,658.37	3,412.87
Other Current Financial Liabilities	17	24,712.24	16,435.02
Trade Payable	18	1,19,352.70	1,74,713.27
Other Current Liabilities	19	17,080.54	32,937.38
Current Provisions	20	38.34	251.64
<b>Total Current Liabilities</b>		<b>2,51,405.01</b>	<b>2,29,282.25</b>
<b>Total Equity and Liabilities</b>		<b>1,90,078.21</b>	<b>2,94,986.35</b>

The accompanying notes are an integral part of the financial statements.

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As per our Report of even date

For S A R A & Associates

Chartered Accountants

Firm Regn No.120927W

Yogesh Rawal

Partner

Membership No. 146464

UDIN: 23146464BGWHTN1525

Mumbai

Date : 24th May 2023

For and on behalf of the Board of Directors

Galaxy Cloud Kitchens Limited

Sunil Biyani

Director

DIN : 00006583

Nishant Dholakia

CEO & ED

DIN : 05200058

Prince Singh

Deputy Chief Financial officer



# Statement of Profit and Loss

for the period ended 31st March, 2023

Annual Report 2022-2023

(₹ in thousand)

Particulars	Note Nos	Year Ended 31st March , 2023	Year Ended March 31, 2022
Revenue from Operations	21	2,20,827.35	2,21,589.96
Other Income	22	70,767.04	34,014.04
<b>Total Income</b>		<b>2,91,594.39</b>	<b>2,55,604.00</b>
<b>Expenses</b>			
Cost of Materials Consumed	23	1,13,939.00	85,181.40
Employee Benefits Expense	24	58,582.66	55,433.80
Finance Costs	25	9,257.74	4,084.39
Depreciation and Amortization Expense	26	23,788.28	32,182.79
Other Expenses	27	1,21,534.77	83,211.71
<b>Total Expenses</b>		<b>3,27,102.45</b>	<b>2,60,094.09</b>
Profit / (Loss) before exceptional items and tax		(35,508.06)	(4,490.09)
Exceptional Items		-	-
Profit / (Loss) before tax		<b>(35,508.06)</b>	<b>(4,490.09)</b>
Current Tax		-	-
Deferred Tax		-	-
Income Tax for Prior Period		-	-
<b>Total Tax Expenses</b>		<b>-</b>	<b>-</b>
Profit/(Loss) from Discontinued Operation	28	(54,450.96)	13,450.67
Profit / (Loss) for the year		(89,959.02)	8,960.58
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		5,406.02	(3,007.83)
Income tax relating to above		-	-
<b>Other Comprehensive Income / (Loss) for the year, Net of Tax</b>		<b>5,406.02</b>	<b>(3,007.83)</b>
<b>Total comprehensive Income / (Loss) for the year</b>		<b>(84,553.00)</b>	<b>5,952.75</b>
<b>Earnings per equity share</b>	39		
For continuing operation -Basic and Diluted (face value of ₹10 each)		(0.79)	(0.10)
For discontinued operation- Basic and Diluted (face value of ₹10 each)		(1.21)	0.29
For continuing and discontinued operation- Basic and Diluted (face value of ₹10 each)		(2.00)	0.19
The accompanying notes are an integral part of the financial statements.	1 - 44		

**As per our Report of even date**  
**For S A R A & Associates**  
**Chartered Accountants**  
**Firm Regn No.120927W**

**Yogesh Rawal**  
**Partner**  
**Membership No. 146464**  
**UDIN: 23146464BGWHTN1525**

**Mumbai**  
**Date : 24th May 2023**

**For and on behalf of the Board of Directors**  
**Galaxy Cloud Kitchens Limited**

**Sunil Biyani**  
**Director**  
**DIN : 00006583**

**Nishant Dholakia**  
**CEO & ED**  
**DIN : 05200058**

**Prince Singh**  
**Deputy Chief Financial officer**

# Statement of Change in Equity

For Year Ended 31st March, 2023

Annual Report 2022-2023

(₹ in thousand)

Particulars	Equity		Other Equity		Total Equity
	Share Capital	Share premium	General Reserve	Retained Earnings	
<b>Balance as at April 01, 2021</b>	<b>4,49,376.44</b>	<b>7,71,800.29</b>	<b>18,062.97</b>	<b>(12,33,283.66)</b>	<b>5,956.04</b>
Changes in equity share capital during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	8,960.58	8,960.58
Other comprehensive income for the year	-	-	-	(3,007.83)	(3,007.83)
Share Capital Issue Expenses	-	-	-	-	-
<b>Total Comprehensive income for the year</b>	<b>4,49,376.44</b>	<b>7,71,800.29</b>	<b>18,062.97</b>	<b>(12,27,330.91)</b>	<b>11,908.79</b>
<b>Balance as at March 31, 2022</b>	<b>4,49,376.44</b>	<b>7,71,800.29</b>	<b>18,062.97</b>	<b>(12,27,330.91)</b>	<b>11,908.79</b>
<b>Balance as at April 01, 2022</b>	<b>4,49,376.44</b>	<b>7,71,800.29</b>	<b>18,062.97</b>	<b>(12,27,330.91)</b>	<b>11,908.79</b>
Changes in equity share capital during the year	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	(89,959.02)	(89,959.02)
Other comprehensive income for the year	-	-	-	5,406.02	5,406.02
<b>Total Comprehensive income for the year</b>	<b>4,49,376.44</b>	<b>7,71,800.29</b>	<b>18,062.97</b>	<b>(13,11,883.92)</b>	<b>(72,644.21)</b>
<b>Balance as at March 31, 2023</b>	<b>4,49,376.44</b>	<b>7,71,800.29</b>	<b>18,062.97</b>	<b>(13,11,883.92)</b>	<b>(72,644.21)</b>

The above statement of changes in Equity should be read in conjunction with the accompanying notes.

As per our Report of even date  
For S A R A & Associates  
Chartered Accountants  
Firm Regn No.120927W

Yogesh Rawal  
Partner  
Membership No. 146464  
UDIN: 23146464BGWHTN1525

Mumbai  
Date : 24th May 2023

For and on behalf of the Board of Directors  
Galaxy Cloud Kitchens Limited

Sunil Biyani  
Director  
DIN : 00006583

Nishant Dholakia  
CEO & ED  
DIN : 05200058

Prince Singh  
Deputy Chief Financial officer

# Statement Of Cash Flow

For Year Ended 31st March, 2023

Annual Report 2022-2023

(₹ in thousand)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>A Cash Flow from operating activities</b>		
Profit before income tax	(89,959.02)	8,960.58
Interest income	(292.32)	(559.99)
Credit Balance Written Bank	67,158.33	47,016.44
Depreciation and amortization expenses	26,384.03	38,110.24
Finance costs	6,813.38	2,330.34
Loss/ (Profit) on sale/Scrap of fixed assets	23,588.23	59.24
Provision for doubtful debts	13,434.45	-
Bad Debts	11,182.91	11.67
Gain on termination of lease asset	(893.44)	-
<b>Operating Cash Profit before Working Capital Changes</b>	<b>57,416.55</b>	<b>95,928.52</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/decrease in trade receivables	14,645.41	5,286.15
(Increase)/decrease in inventories	8,060.36	(4,860.84)
(Increase)/decrease in other financial and other assets	6,305.34	8,758.32
Increase/(decrease) in trade payables, other liabilities and provisions	(1,65,950.25)	(1,12,620.23)
<b>Cash outflow from operations</b>	<b>(79,522.59)</b>	<b>(7,508.08)</b>
Income taxes paid	6,894.31	(4,451.32)
<b>Net cash outflow from operating activities</b>	<b>(72,628.28)</b>	<b>(11,959.40)</b>
<b>B Cash flow from investing activities:</b>		
Sale proceeds of property, plant and equipment, Right of use Assets	13,642.82	(13,850.94)
Purchase of property, plant and equipment	(8,190.24)	(3,485.08)
Interest received	292.32	559.99
<b>Net cash flow from investing activities</b>	<b>5,744.90</b>	<b>(16,776.03)</b>



# Statement Of Cash Flow

Annual Report 2022-2023

For Year Ended 31st March, 2023

(₹ in thousand)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>C Cash flow from financing activities</b>		
Proceeds from / ( Repayment of ) Borrowings	72,780.05	-
Interest paid	(6,813.38)	(2,330.34)
<b>Net cash flow from financing activities</b>	<b>65,966.67</b>	<b>(2,330.34)</b>
Net increase/(decrease) in cash and cash equivalents	(916.71)	(31,065.77)
Add: Cash and cash equivalents at the beginning of the financial year	(205.71)	30,860.06
<b>Cash and cash equivalents at the end of the year</b>	<b>(1,122.42)</b>	<b>(205.71)</b>

(₹ in thousand)

Cash and Cash Equivalent as per above comprises of the following

(₹ in thousand)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	-	-
Cash and Cash Equivalents (Note 8)	660.36	1,326.36
Bank Overdraft	(1,782.77)	(1,532.07)
<b>Balance as per statement of Cash flows</b>	<b>(1,122.41)</b>	<b>(205.71)</b>

As per our Report of even date  
For S A R A & Associates  
Chartered Accountants  
Firm Regn No.120927W

Yogesh Rawal  
Partner  
Membership No. 146464  
UDIN: 23146464BGWHTN1525

Mumbai  
Date : 24th May 2023

For and on behalf of the Board of Directors  
Galaxy Cloud Kitchens Limited

Sunil Biyani  
Director  
DIN : 00006583

Nishant Dholakia  
CEO & ED  
DIN : 05200058

Prince Singh  
Deputy Chief Financial officer

forming part of the financial statements for the year ended 31st March, 2023

## 1) Company Overview

Galaxy Cloud Kitchens Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on August 13, 1981. The Company is engaged in manufacturing of food products (Viz bakery, desserts, confectionery, meals, ready to eat food.) The Company has manufacturing facilities at two location and sells primarily in India.

The Company has its registered office at Mumbai, Maharashtra, India. The Company has its primary listing on BSE Limited.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 24, 2023.

## 2) Significant Accounting Policies

### (a) Basis of preparation of financial statements.

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III to the Act, unless otherwise stated.

### (b) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### (c) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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 property, plant and equipment will flow to the company and the cost of the property, plant and equipment 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 Statement of Profit or Loss during the reporting period in which they are incurred. Assets classified as held for sale are reported at the lower of the carrying value or the fair value less cost to sell.

forming part of the financial statements for the year ended 31st March, 2023

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives of assets are as follows:

<b>Asset Class</b>	<b>Useful Life</b>
Plant & Machinery	15 Years
Furniture & Fixtures	10 Years
Computer	3 Years
Improvement to Licensed Premises	10 Years

The useful lives have been determined as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss, if any.

#### **(d) Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on straight line basis from the date they are available for use.

#### **(e) Impairment of non-financial assets**

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the assets is increased to its revised recoverable amount, provided that this amount doesn't exceed the carrying amount that would have been determined, had no impairment loss being recognized for the asset in prior years.

#### **(f) Investments and other financial assets**

##### **(i) Classification**

The company classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (b) Those measured at amortized cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will 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 other comprehensive income.

##### **(ii) Measurement**

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

forming part of the financial statements for the year ended 31st March, 2023

### Debt Instruments:

A subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the asset. The company classify its debts instruments in to following categories:

**Amortised Cost:** Assets that are held for collection of contractual cash flows represents solely payments of principal and interest are measured at amortised cost.

**Fair value through other comprehensive income:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow present solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses).

**Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Statements of Profit and Loss.

### Equity Instrument:

The Company measures all equity investment at fair value except investment in subsidiaries, joint ventures and associates which are measured at cost less impairment if any. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

(iii) **Impairment of financial asset:** The Company assesses on a forward looking basis the expected credit losses associated with its assets. The Impairment methodology applied depends on whether there has been a significant increase in credit risk.

### (iv) De-recognition of financial assets

A financial asset is derecognized only when

- (a) The company has transferred the rights to receive cash flows from the financial asset or
- (b) 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.

### (g) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

### (h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

#### i. Sale of Goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc.

forming part of the financial statements for the year ended 31st March, 2023

**ii. Sale of services:**

Income from services rendered is recognized based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

**iii. Interest income:**

Interest income from debt instruments is recognized using the effective interest rate method.

**iv. Dividends:**

Dividends are recognized in profit or loss only when the right to receive payment is established

**(i) Employee benefits**

**i. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of the reporting period. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized as an item of Other Comprehensive Income in the statement of profit and loss.

**iii. Post-employment obligations**

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity and
- (b) Defined contribution plans such as provident fund.

**iv. Gratuity obligations:**

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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 the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in 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 profit or loss as past service cost.

forming part of the financial statements for the year ended 31st March, 2023

**v. Defined contribution plans:**

Defined contribution plans such as provident fund etc are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

**vi. Termination benefits**

Termination benefits are recognized as and when incurred. However, the termination benefits which fall due for more than twelve months after the balance sheet date are discounted using the applicable discount rate.

**(j) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period'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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**(k) Foreign Currency Translation**

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

**(l) Lease – Operating**

Leases a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

With effect from 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method on the date of initial application. Consequently, the

forming part of the financial statements for the year ended 31st March, 2023

Company recorded the lease liability and right of use assets at the present value of the lease payments discounted at the incremental borrowing as on date of initial application.

Leases on which Ind AS 116 does not apply, Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

## **(m) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## **(n) Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

## **(o) Borrowings**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

## **(p) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

forming part of the financial statements for the year ended 31st March, 2023

## **(q) Provisions and Contingent Liabilities**

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

## **(r) Earnings per share**

### **(i) Basic earnings per share**

Basic earnings per share are calculated by dividing:

- a) the profit attributable to owners of the company
- b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

### **(ii) Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- (a) the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- (b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



# Notes

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## Note 3 : Property, Plant and Equipment

(₹in thousand)

Particulars	Improvement to Licensed Premises	Plant & Machinery	Furniture & Fixtures	Computer	Total
<b>As at April 01, 2021</b>					
Gross Carrying Amount	91,994.29	4,16,109.84	29,193.34	2,345.58	5,39,643.05
Additions	-	6,666.50	582.41	210.00	7,458.91
Disposals	3,461.09	570.62	-	-	4,031.71
<b>Closing Gross Carrying Amount</b>	<b>88,533.20</b>	<b>4,22,205.72</b>	<b>29,775.75</b>	<b>2,555.58</b>	<b>5,43,070.25</b>
Accumulated Depreciation as at April 01, 2021	72,865.64	3,21,700.00	16,919.01	1,027.07	4,12,511.72
Depreciation charge for the year	4,072.46	11,422.58	1,860.53	825.21	18,180.78
<b>Closing Accumulated Depreciation</b>	<b>76,938.10</b>	<b>3,33,122.58</b>	<b>18,779.54</b>	<b>1,852.28</b>	<b>4,30,692.50</b>
<b>Net Carrying Amount as at March 31, 2022</b>	<b>11,595.10</b>	<b>89,083.14</b>	<b>10,996.21</b>	<b>703.30</b>	<b>1,12,377.76</b>
<b>As at April 01, 2022</b>					
Gross Carrying Amount	88,533.20	4,22,205.72	29,775.75	2,555.58	5,43,070.25
Additions	-	1,193.53	-	147.00	1,340.53
Disposals	-	23,588.23	-	-	23,588.23
Assets held for Sales	-	1,290.23	515.08	-	1,805.31
<b>Closing Gross Carrying Amount</b>	<b>88,533.20</b>	<b>3,98,520.79</b>	<b>29,260.67</b>	<b>2,702.58</b>	<b>5,19,017.24</b>
Accumulated Depreciation as at April 01, 2022	76,938.10	3,33,122.58	18,779.54	1,852.28	4,30,692.50
Depreciation charge for the year	3,235.67	11,208.51	2,218.05	771.74	17,433.97
<b>Closing Accumulated Depreciation</b>	<b>80,173.77</b>	<b>3,44,331.09</b>	<b>20,997.59</b>	<b>2,624.02</b>	<b>4,48,126.47</b>
<b>Net Carrying Amount as at March 31, 2023</b>	<b>8,359.43</b>	<b>54,189.70</b>	<b>8,263.08</b>	<b>78.56</b>	<b>70,890.77</b>

Note: Depreciation charge for the year and previous year include depreciation of Discontinued Operation.

## Capital Work in Progress

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Work in Progress	6,849.71	-
<b>Closing Work in Progress</b>	<b>6,849.71</b>	<b>-</b>

## Right to use asset

(₹in thousand)

Particulars	Right to Use assets	Total
<b>As at April 01, 2021</b>		
Gross Carrying Amount	1,18,684.23	1,18,684.23
Additions	52,265.20	52,265.20
Disposals	38,414.26	38,414.26
<b>Closing Gross Carrying Amount</b>	<b>1,32,535.17</b>	<b>1,32,535.17</b>
<b>Accumulated Depreciation</b>		
Accumulated Depreciation as at April 01, 2021	64,745.27	64,745.27
Amortization	19,929.45	19,929.45
Sales of Assets	-	-
Deductions and Adjustments	-	-
<b>Closing Accumulated Depreciation</b>	<b>84,674.72</b>	<b>84,674.72</b>
<b>Net Carrying Amount as at March 31, 2022</b>	<b>47,860.45</b>	<b>47,860.45</b>

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(₹ in thousand)		
Right to use asset		
Particulars	Right to Use assets	Total
<b>As at April 01, 2022</b>		
Gross Carrying Amount	1,32,535.17	1,32,535.17
Additions	31,384.79	31,384.79
Disposals	45,176.80	45,176.80
<b>Closing Gross Carrying Amount</b>	<b>1,18,743.17</b>	<b>1,18,743.17</b>
<b>Accumulated Depreciation</b>		
Accumulated Depreciation as at April 01, 2022	84,674.72	84,674.72
Depreciation charge for the year		-
Amortization	10,529.85	10,529.85
Sales of Assets	-	-
Deductions and Adjustments	-	-
<b>Closing Accumulated Depreciation</b>	<b>95,204.57</b>	<b>95,204.57</b>
<b>Net Carrying Amount as at March 31, 2023</b>	<b>23,538.60</b>	<b>23,538.60</b>

(₹ in thousand)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Note 4 : Other Non Current Financial Assets</b>		
(Unsecured unless otherwise stated)		
Deposit with Bank ( Under lien against Bank Guarantee)	10,956.14	10,956.14
Interest accrued on Bank Deposit	557.00	1,162.72
Security Deposits	4,309.42	3,593.68
<b>Total Other Non Current Financial Assets</b>	<b>15,822.56</b>	<b>15,712.54</b>

#### Note 5 : Other Non Current Assets

Deffered Rent Expenses	1,305.54	2,892.68
<b>Total Other Non Current Assets</b>	<b>1,305.54</b>	<b>2,892.68</b>

#### Note 6 : Inventories

(Valued at cost or NRV, whichever is lower)

Food & Beverages Supplies and Consumables	14,318.46	22,378.81
<b>Total Inventories</b>	<b>14,318.46</b>	<b>22,378.81</b>

#### Note 7 : Trade Receivables

(Unsecured and Considered good)

Outstanding for a period exceeding six months from the date they are due for payment	57,462.70	69,856.58
Less: Allowance for bad and doubtful debts	(23,350.96)	(9,916.52)
<b>Total Trade receivables</b>	<b>34,111.74</b>	<b>59,940.06</b>

# Notes

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## Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31st March, 2023</b>						
i) Undisputed trade receivables - considered good	12,684.65	3,183.89	-	-	-	15,868.54
ii) Undisputed trade receivables - considered doubtful	3,020.41	6,389.43	6,197.41	541.25	3,470.25	19,618.75
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - considered doubtful	-	-	-	3,436.92	18,538.49	21,975.41
<b>Total</b>	<b>15,705.06</b>	<b>9,573.32</b>	<b>6,197.41</b>	<b>3,978.17</b>	<b>22,008.74</b>	<b>57,462.70</b>
<b>As at 31st March, 2022</b>						
i) Undisputed trade receivables - considered good	21,149.90	971.19	435.08	1,556.97	4,672.88	28,786.02
ii) Undisputed trade receivables - considered doubtful	348.37	-	474.49	5,175.98	12,758.10	18,756.94
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - considered doubtful	-	-	5,313.30	5,893.83	11,106.49	22,313.62
<b>Total Trade receivables</b>	<b>21,498.27</b>	<b>971.19</b>	<b>6,222.87</b>	<b>12,626.78</b>	<b>28,537.47</b>	<b>69,856.58</b>

Refer Note 40 for information about credit risk of trade receivable

(₹ in thousand)

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Note 8 : Cash and Cash Equivalents</b>		
Cash on hand	79.15	66.05
<b>Balances with Banks</b>		
In current accounts	581.21	1,260.31
<b>Total Cash and Cash Equivalents</b>	<b>660.36</b>	<b>1,326.36</b>
<b>Note 9 : Other financial asset</b>		
(Unsecured, considered good unless otherwise stated)		
Security Deposits	5,705.86	9,844.77
Others	381.34	-
<b>Total Current Loan and Advances</b>	<b>6,087.20</b>	<b>9,844.77</b>
<b>Note 10 : Other Current Assets</b>		
Balances with Government Authorities	12,784.72	20,231.50
Advances to Suppliers	1,628.70	1,296.79
Prepaid Expenses	274.54	1,124.63
<b>Total Other Current Assets</b>	<b>14,687.96</b>	<b>22,652.92</b>
<b>Note 11 : Equity Share Capital</b>		
Equity Share capital		
Authorized		
65,000,000 [March 31, 2022: 65,000,000] Equity Shares of ₹ 10 each	6,50,000.00	6,50,000.00
Issued, subscribed and fully paid up		
4,49,37,674 [March 31, 2022: 4,49,37,674] Equity Shares of ₹ 10 each	4,49,376.74	4,49,376.74
<b>Total Equity Share Capital Issued, Subscribed and Fully Paid Up</b>	<b>4,49,376.74</b>	<b>4,49,376.74</b>

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(₹ in thousand)

Particulars	As at	
	31st March, 2023	31st March, 2022
<b>a) Reconciliation of number of shares</b>		
<b>Equity Shares :</b>		
Balance as at the beginning of the year	4,49,37,674	4,49,37,674
Add: Conversion of Compulsory Convertible Debentures in fully paid Equity Shares during the year	-	-
Add: Shares issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>4,49,37,674</b>	<b>4,49,37,674</b>

## b) Rights, preferences and restrictions attached to shares

**Equity shares:** The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any. 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.

Nos of Shares	As at	
	31st March, 2023	31st March, 2022
<b>c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>		
Central Departmental Stores Private Limited	93,57,910	93,57,910
Future Enterprises Limited	83,69,819	83,69,819
Habitat Apartments Private Limited	56,00,000	56,00,000
Abacus Realty Logistics Private Limited	48,99,874	49,00,000
Bellona Hospitality Services Limited	36,86,491	36,86,491
Darshita Landed Property LLP	33,33,924	33,33,924
<b>Holding in %</b>		
Central Departmental Stores Private Limited	20.82%	20.82%
Future Enterprises Limited	18.63%	18.63%
Habitat Apartments Private Limited	12.46%	12.46%
Abacus Realty Logistics Private Limited	10.90%	10.90%
Bellona Hospitality Services Limited	8.20%	8.20%
Darshita Landed Property LLP	7.42%	7.42%

## d) Shareholding of Promoters

Promoter name	Shares held at 31st March, 2023		Shares held at 31st March, 2022		Percentage change during the year ended 31st March, 2023
	No of shares	% of total shares	No of shares	% of total shares	
Atul Ashok Ruia	50,000	0.11%	50,000	0.11%	-
Central Departmental Stores Pvt Ltd	93,57,910	20.82%	93,57,910	20.82%	-
Future Enterprises Limited	83,69,819	18.63%	83,69,819	18.63%	-
Bellona Hospitality Services Ltd	36,86,491	8.20%	36,86,491	8.20%	-
Ashbee Investments And Finance Private Limited	3,50,000	0.78%	3,50,000	0.78%	-
Senior Advisory Services Pvt.Ltd	97,237	0.22%	97,237	0.22%	-
Ashok Apparels Pvt Ltd	47,500	0.11%	47,500	0.11%	-

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Particulars	( in thousand)	
	As at 31st March, 2023	As at 31st March, 2022
<b>Note 12 : Other Equity</b>		
Share Premium	7,71,800.29	7,71,800.29
General Reserve	18,062.97	18,062.97
Retained Earnings	(13,11,884.21)	(12,27,331.21)
	<b>(5,22,020.95)</b>	<b>(4,37,467.95)</b>
<b>Share Premium</b>		
Opening Balance	7,71,800.29	7,71,800.29
Add : Increase during the year	-	-
Less : Share Issue Expenses	-	-
Closing Balance	<b>7,71,800.29</b>	<b>7,71,800.29</b>
<b>General Reserve</b>		
Opening Balance	18,062.97	18,062.97
Change during the Year	-	-
Closing Balance	<b>18,062.97</b>	<b>18,062.97</b>
<b>Retained Earnings</b>		
Opening Balance	(12,27,331.21)	(12,33,285.32)
Less : Impact of Prior Period Items ( Prior period Expenses Refer Note : 13 (i)		-
Net Profit / (Loss) during the year	(89,959.02)	8,961.94
<b>Items of other comprehensive income recognized directly in retained earnings</b>		
Remeasurements of post-employment benefit obligation, net of tax	5,406.02	(3,007.83)
Closing Balance	<b>(13,11,884.21)</b>	<b>(12,27,331.21)</b>
<b>Note 13 :Lease Liability</b>		
Lease Liability	8,744.48	46,199.99
Total Lease Liability	<b>8,744.48</b>	<b>46,199.99</b>
<b>Note 14 : Non Current Provisions</b>		
Gratuity	1,339.28	5,185.86
Leave entitlement	1,233.65	2,409.46
Total Non Current Provisions	<b>2,572.93</b>	<b>7,595.32</b>
<b>Note 15 : Current Borrowings</b>		
<b>Unsecured Borrowings</b>		
Inter Corporate Deposit	72,780.05	-
<b>Secured Borrowings</b>		
Bank Overdraft	1,782.77	1,532.07
Total Current Borrowings	<b>74,562.82</b>	<b>1,532.07</b>

# Notes

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( in thousand)

Particulars	As at 31st March, 2023	As at 31st March, 2022
-------------	---------------------------	---------------------------

Interest Rate :

The rate of interest on bank overdraft ranges between 6.00% to 9.00% during the year (Previous Year - Range between 10.60% to 11.20% p.a.)

The rate of interest on Previous Year is 9% during the year ( Previous Year-Nil)

Overdraft Facility from Bank secured against 100% Fixed deposit.

Refer Note 37 for information about liquidity risk of borrowings

## Note 16 :Lease Liability

Lease Liability	15,658.37	3,412.87
<b>Total Lease Liability</b>	<b>15,658.37</b>	<b>3,412.87</b>

## Note 17 : Other Current Financial Liabilities

Other Payables	13,657.20	9,827.98
Outstanding Liabilities	11,055.04	6,607.04
<b>Total Other Current Financial Liabilities</b>	<b>24,712.24</b>	<b>16,435.02</b>

## Note 18 : Trade Payables

Trade payables	99,640.75	1,43,265.15
Trade Payable - Micro, Small & Medium Enterprises	19,711.95	31,448.12
<b>Total Trade Payables</b>	<b>1,19,352.70</b>	<b>1,74,713.27</b>

## Trade Payables 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
<b>As at 31st March, 2023</b>					
MSME	10,779.06	1,540.51	3,232.61	4,159.77	19,711.95
Others	60,681.73	9,710.07	7,358.32	21,890.63	99,640.75
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>71,460.79</b>	<b>11,250.58</b>	<b>10,590.93</b>	<b>26,050.40</b>	<b>1,19,352.70</b>
<b>As at 31st March, 2022</b>					
MSME	10,669.76	9,840.01	10,854.56	83.79	31,448.12
Others	56,993.61	25,221.24	55,647.77	5,402.53	1,43,265.15
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
<b>Total Trade Payables</b>	<b>67,663.37</b>	<b>35,061.25</b>	<b>66,502.33</b>	<b>5,486.32</b>	<b>1,74,713.27</b>

# Notes

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## Note 19 : Other Current Liabilities

Statutory dues	3,431.26	4,718.66
Other advances	12,753.60	-
Advance from customers	895.68	28,218.72
<b>Total Other Current Liabilities</b>	<b>17,080.54</b>	<b>32,937.38</b>

## Note 20 : Current Provisions

Gratuity	15.01	134.00
Leave entitlement	23.33	117.64
<b>Total Current Provisions</b>	<b>38.34</b>	<b>251.64</b>

## Information about provisions and significant estimates :

### Leave entitlement

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in thousand)

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Opening defined benefit obligation	5,319.89	4,120.04
Current service cost	1,909.56	1,625.73
Interest expense/(income)	383.98	284.48
<b>Total amount recognised in profit and loss</b>	<b>2,293.54</b>	<b>1,910.20</b>
Remeasurements	-	-
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(41.55)	(246.69)
Experience (gains)/losses	(5,364.47)	1,079.78
<b>Total amount recognised in other comprehensive income</b>	<b>(5,406.02)</b>	<b>833.09</b>
Employer contributions	(853.08)	(1,543.44)
Benefit payments	-	-
<b>Closing defined benefit obligation</b>	<b>1,354.32</b>	<b>5,319.89</b>
<b>The net liability disclosed above relates to unfunded plans are as follows:</b>		
Defined benefit obligation	1,354.32	5,319.89

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(₹ in thousand)

Particulars	Gratuity	
	As at 31st March, 2023	As at 31st March, 2022
Fair value of plan assets	-	-
Surplus /(Deficit)	1,354.32	5,319.89
Effect of assets ceiling	-	-
<b>Net Defined Benefit Liability/(Assets)</b>	<b>1,354.32</b>	<b>5,319.89</b>
Significant estimates: Actuarial assumptions		
The significant actuarial assumptions were as follows:		
Discount rate	7.51%	7.31%
Salary growth rate	5.00%	5.00%

(₹ in thousand)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Note 21 : Revenue from Operations</b>		
<b>Sale of Services</b>		
Food & Beverages	1,90,984.68	1,82,496.52
Other Operating Income	29,842.67	39,093.44
<b>Total Revenue from Operations</b>	<b>2,20,827.35</b>	<b>2,21,589.96</b>
<b>Note 22 : Other income</b>		
Compensation	-	8,000.00
Interest on Fixed Deposit	292.32	559.99
Credit Balance Written Back	67,158.33	14,510.07
Lease Income	956.00	1,836.00
Interest on Financial Assets	299.13	1,230.75
Other Income	623.71	330.02
Interest on Income Tax Refund	544.11	136.65
Income from Recognition of Right of use assets and Lease Liabilities	893.44	7,023.83
Profit on Sale of Property, plant and Equipment	-	386.73
<b>Total Other income</b>	<b>70,767.04</b>	<b>34,014.04</b>
<b>Note 23 : Cost of materials consumed</b>		
Opening Stock	22,378.82	7,558.12
Add: Cost of materials consumed (including purchased components and packing material consumed)	1,05,878.64	88,549.26
Less: Closing Stock	(14,318.46)	(10,925.98)
<b>Total Cost of materials consumed</b>	<b>1,13,939.00</b>	<b>85,181.40</b>



# Notes

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Particulars	(₹ in thousand)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>Note 24 : Employee benefits expense</b>		
Salaries and wages	53,516.82	50,354.79
Contribution to provident funds and other funds	3,153.09	3,847.39
Workmen and Staff welfare expenses	1,912.75	1,231.62
<b>Total Employee benefits expense</b>	<b>58,582.66</b>	<b>55,433.80</b>
<b>Note 25 : Finance costs</b>		
Interest on Overdraft	39.39	724.95
Other Borrowing Cost	4,279.67	-
Other Interest	2,494.32	1,532.25
Interest on Lease Liability	2,444.36	1,827.19
<b>Total Finance costs</b>	<b>9,257.74</b>	<b>4,084.39</b>
<b>Note 26 : Depreciation and amortization expense</b>		
Depreciation on Property, Plant and Equipment	14,838.22	16,044.84
Amortization	8,950.06	16,137.95
<b>Total Depreciation and amortization expense</b>	<b>23,788.28</b>	<b>32,182.79</b>
<b>Note 27 : Other expenses</b>		
Power, Fuel, Light and Water	12,518.31	10,835.86
Communication Expenses	280.07	299.25
Lease Expenses	23,347.88	11,496.23
Hire Charges	17,129.38	11,813.25
Repairs to Plant and Equipment	1,611.79	3,408.80
Insurance	648.34	2,500.91
Rates & taxes *(a)	9,835.46	10,693.86
Advertising and sales promotion	7,290.96	1,184.54
Carriage and freight	5,055.49	6,275.39
Printing & Stationery	795.63	758.17
Audit Committee Fees	500.00	425.00
Director Sitting Fees	675.00	550.00
Nomination, Remuneration & Compensation Directors Fees	90.00	100.00
Professional & Consultancy Charges	6,746.34	7,524.61
Bank Charges	765.76	392.61
Postage & Courier Charges	208.35	112.07
Security Charges	444.56	1,106.93
Commission & Brokerage	4,505.30	5,032.63
Bad Debts	11,182.91	11.67
Miscellaneous Expenses	2,184.32	1,872.32
Travelling and Local Conveyance Expenses	1,651.97	910.54

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Particulars	(₹ in thousand)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Payment to Statutory Auditors *(b)	632.50	550.00
Provision for Doubtfull Debts	13,434.45	5,357.07
<b>Total Other expenses</b>	<b>1,21,534.77</b>	<b>83,211.71</b>
<b>* (a) Rates &amp; Taxes</b>		
Rate & Taxes	2,102.40	8,247.81
Reversal of Input Tax Credit	7,733.06	2,446.05
<b>Total Rates &amp; taxes</b>	<b>9,835.46</b>	<b>10,693.86</b>
<b>* (b) Payment to Statutory Auditors</b>		
For Audit Fees	260.00	200.00
For Tax Audit Fees	175.00	150.00
For Limited Review Fees	130.00	75.00
For Other Services	67.50	125.00
<b>Total Payment to Statutory Auditors</b>	<b>632.50</b>	<b>550.00</b>

## Note 28 : Discontinued Operation

The Company has shutdown the commissary unit operating at the "13, Veerasandra Industrial Area, 19th KM, Hosur Road, Bengaluru 560100, in Karnataka" with effect from October 12th, 2022.

Revenue from Operations	1,00,084.30	1,85,817.87
Other Income	4,130.59	45,588.58
<b>Total Income</b>	<b>1,04,214.89</b>	<b>2,31,406.45</b>
<b>Expenses</b>		
Cost of Materials Consumed	63,741.90	1,02,798.07
Employee Benefits Expense	39,676.75	42,277.20
Finance Costs	1,469.14	3,746.21
Depreciation and Amortization Expense	4,175.54	5,927.45
Other Expenses	49,602.53	63,206.85
<b>Total Expenses</b>	<b>1,58,665.85</b>	<b>2,17,955.78</b>
Profit /(Loss) from Discontinued operation	(54,450.96)	13,450.67

## Note 29 : Capital and Other Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ "Nil" (Previous Year ₹ "Nil")

## Note 30 : Contingent Liabilities not provided for :

- The Company had overdraft facility with Axis Bank Ltd., which is fully repaid & company has applied for closure of the said account, the same is pending to be closed by Bank
- The contingent Liability amounting to ₹ 256.53 Lakh relates to the employees of shut down Bangalore Commissary which is not finalized yet and the same will be accounted and provisioned once the liability is confirmed.

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Particulars	(₹ in thousand)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
(iii) In respect of disputed tax demand not provided as following:		
<b>Sales Tax Demand:</b>		
2011-2012 (West Bengal)	81.21	81.21
<b>Service Tax</b>		
A. Y. 2012-13(Excluding Interest)	0.00	17,922.00

### Note 31 : Going Concern Assumption

The entire networth of the Company has been eroded due to losses incurred in the current year and its current liabilities exceed its current assets which indicate a material uncertainty exists that may cast a significant doubt on the company's ability to continue as a going concern . The Company is committed to improve its operational efficiency and has taken various initiatives to boost sales and reduce cost. These initiatives are already yielding desired results and the management is confident that the networth will turn positive in the near future and yield sustainable cash flows to meet all its obligations. Accordingly, the financials of the Company have been prepared on going concern basis, Company is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

### Note 32 : Deferred Tax Asset/ (Liability):

On a conservative basis, the Company has not recognized any deferred tax asset on unabsorbed business losses/unabsorbed depreciation during the current year.

### Note 33 : Related Party Disclosure

In accordance with the Ind AS - 24 on "Related Party Disclosure" the relevant information for the year ended March 31, 2023 is as under

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationships

Sr. No.	Name of the Related Party	Nature of Relationship
1	Future Retail Limited	Other Body Corporate
2	Future Consumer Limited	Other Body Corporate
3	Future Lifestyle Fashion Limited	Other Body Corporate
4	Future Generali India Life Insurance Company Limited	Other Body Corporate
5	Future Idea Company Limited	Other Body Corporate
6	Nilgiris Mechanised Bakery Private Limited	Other Body Corporate
7	The Nilgirs Dairy Farm Private Limited	Other Body Corporate
8	Appu Nutritions Private Limited	Other Body Corporate
9	TNSI Retail Private Limited	Other Body Corporate
10	Future Market Networks Limited	Enterprises in which a director is a member / Director
11	Future Enterprise Limited	Other Significant influence
12	Mr Arvind Agrawal(upto March 31, 2022)	Key Managerial Personnel
13	Mr Atul Joshi(upto July 31, 2022)	Key Managerial Personnel
14	Nishant Dholakia(W.E.F. March 17, 2022)	Key Managerial Personnel
15	Suraj Bhatt(w.e.f.29 June 2022)	Key Managerial Personnel
16	Neelu Jain(w.e.f.05 November 2022)	Key Managerial Personnel
17	Ms Shruti Shrivastava (upto 30 September 2022)	Key Managerial Personnel

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(ii) Key management personnel compensation

(₹ in thousand)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Short-term employee benefits	9,569.43	5,650.00
Post-employment benefits	-	-
Long-term employee benefits	-	-
Termination benefits	-	-
<b>Total</b>	<b>9,569.43</b>	<b>5,650.00</b>

(iii) Transactions during the year with related parties :

Sr. No.	Nature of Transaction	Other Body Corporate	Enterprises in which a director is a member / Director	Total
				(₹ in thousand)
1	Business Support Service	5,280.00 (74,094.28)	- (-)	5,280.00 (74,094.28)
2	Sales of Goods	82,749.00 (165907.38)	- (-)	82,749.00 (165907.38)
3	Purchase of Goods	(1,972.00) (357.09)	- (-)	(1,972.00) (357.09)
4	Roayalty Charges	3,012.00 (13,891.29)	- (-)	3,012.00 (13,891.29)
5	Rent - Others	- (5,834.30)	- (-)	- (5,834.30)
6	Rent - Buildings	5,072.00 (1,620.00)	- (-)	5,072.00 (1,620.00)
7	Insurance Premium	- (1,442.79)	- (-)	- (1,442.79)
8	Lease Income	276.00 -	- (-)	276.00 -
9	Rent Others(Expeses)	1,126.00 (9,958.00)		1,126.00 (9,958.00)
10	Electricity Charges (Income)	6.00 -		6.00 -
11	Sale of Assets	- (-)	- (12,000.00)	- (12,000.00)

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(v) Balance as at March 31, 2023

(₹ in thousand)

Sr. No.	Nature of Transaction	Other Significant influence	Other Body Corporate	Enterprises in which a director is a member / Director	Total
1	Loans and Advances Taken	-	-	-	-
		(-)	-	-	0.00
2	Loans and Advances Given	-	0.00	-	0.00
		(-)	(-)	(-)	0.00
3	Trade Payable	0.00	112.00	-	112.00
		(-)	-	(-)	0.00
4	Trade Receivables	0.00	4,980.10	-	4,980.10
		-	-	(-)	-

**Note :** Related Party relationship is as identified by the Company and relied upon by the Auditors

Figures in Italic indicate previous year figures

## 34 Leases

Particulars	As at 31st March, 2023	As at 31st March, 2022
The Balance Sheet discloses the following amount		
Right of Use Assets	23,538.60	47,860.45
<b>Total</b>	<b>23,538.60</b>	<b>47,860.45</b>
Lease Liabilities		
Non- Current	8,744.48	46,199.99
Add: Current	15,658.37	3,412.87
<b>Total</b>	<b>24,402.85</b>	<b>49,612.86</b>

## Amount Recognised in Profit and Loss Account

	Continuing operation		Discontinued Operation	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Depreciation Charged on Right to Use Assets	8950.06	16,137.95	1,579.79	3,791.50
Interest Expense included in Finance Cost	2444.36	1,827.19	1,453.11	3,673.07
Expense relating to Short Term Loans			-	-
Expense relating to variable lease payments not included in lease liability			-	-
<b>Total cash outflow for leases during current financial year (excluding short term leases)</b>	<b>11,394.42</b>	<b>17,965.14</b>	<b>3,032.90</b>	<b>7,464.57</b>

Additions to the right of use assets during the current financial year

# Notes

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## Note 35 : Offsetting Financial Assets and Financial Liabilities

There are no offset for the recognised financial instruments as at March 31, 2023 and March 31, 2022

## Note 36 : Fair Value Measurements

### 36 (a) : Financial Instruments by Category

(₹ in thousand)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
	Amortised cost	Amortised cost
<b>Financial Assets</b>		
Loans and Advances	6,087.20	9,844.77
Trade receivables	34,111.74	59,940.06
Cash and Cash Equivalents	660.36	1,326.36
Other Financial Assets	15,822.56	15,712.54
<b>Total Financial Assets</b>	<b>56,681.86</b>	<b>86,823.73</b>
<b>Financial Liabilities</b>		
Borrowings	74,562.82	1,532.07
Trade Payable	1,19,352.70	1,74,713.27
Lease Liability	24,402.85	49,612.86
Other Financial Liabilities	24,712.24	16,435.02
<b>Total Financial Liabilities</b>	<b>2,43,030.61</b>	<b>2,42,293.22</b>

### No Financial instruments are measured at Fair Value.

**36 (b) :** Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except other financial assets and borrowings other than bank borrowings which are at level 2.. During the year there are no financial instruments which are measured at Level 1.

Particular	As at	As at
	31st March, 2023	31st March, 2022
<b>Financial Assets</b>		
Loans and Advances	6,087.20	9,844.77
Trade receivables	34,111.74	59,940.06
Cash and Cash Equivalents	660.36	1,326.36
Other Financial Assets	15,822.56	15,712.54
<b>Total Financial Assets</b>	<b>56,681.86</b>	<b>86,823.73</b>
<b>Financial Liabilities</b>		
Borrowings	74,562.82	1,532.07
Trade Payable	1,19,352.70	1,74,713.27
Lease Liability	24,402.85	49,612.86
Other Financial Liabilities	24,712.24	16,435.02
<b>Total Financial Liabilities</b>	<b>2,43,030.61</b>	<b>2,42,293.22</b>

forming part of the financial statements for the year ended 31st March, 2023

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

Level 1: This hierarchy includes financial instruments measured using quoted prices.

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: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### Valuation processes :

For level 2 financial instruments the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

#### 36 (c) : Fair value of financial assets and liabilities measured at amortised cost

(₹ in thousand)

Particular	As at 31st March, 2023		As at 31st March, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>				
Loans and Advances	6,087.20	6,087.20	9,844.77	9,844.77
Trade receivables	34,111.74	34,111.74	59,940.06	59,940.06
Cash and Cash Equivalents	660.36	660.36	1,326.36	1,326.36
Other Financial Assets	15,822.56	15,822.56	15,712.54	15,712.54
<b>Total Financial Assets</b>	<b>56,681.86</b>	<b>56,681.86</b>	<b>86,823.73</b>	<b>86,823.73</b>
<b>Financial Liabilities</b>				
Borrowings	74,562.82	74,562.82	1,532.07	1,532.07
Trade Payable	1,19,352.70	1,19,352.70	1,74,713.27	1,74,713.27
Lease Liability	24,402.85	24,402.85	49,612.86	49,612.86
Other Financial Liabilities	24,712.24	24,712.24	16,435.02	9,827.98
<b>Total Financial Liabilities</b>	<b>2,43,030.61</b>	<b>2,43,030.61</b>	<b>2,42,293.22</b>	<b>2,35,686.18</b>

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values largely due to short term maturities of the instruments.

The fair values of other financial assets and borrowings other than bank borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

#### Note 37 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk are reviewed regularly to reflect changes in market conditions and the Company's activities.

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## A. Market Risks

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. The company is not significantly exposed to foreign currency risk. Moreover, the company has no investments in equity shares thus the company is not exposed to price risk also."

### (a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, management of the Company performs a corporate interest rate risk.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or 20 basis point decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in thousand)	
	As at 31st March, 2023	As at 31st March, 2022
Variable rate borrowings	1,782.77	1,532.07
Percentage of variable rate borrowings to total borrowings	2.4%	100%
<b>Total Borrowings</b>	<b>1,782.77</b>	<b>1,532.07</b>

### Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Interest rates – increase by 100 basis points*	17.83	15.32
Interest rates – decrease by 20 basis points*	3.57	3.06

\*Holding all other variables constant

## B. Credit Risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities primarily trade receivables and from its loans and advances and other financial instruments.

### Trade receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management.

The Company measures the expected credit loss of trade receivables and loan & advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.



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#### Movement in provisions of doubtful debts

Opening provision	9,916.52	4,559.44
Add:- Additional provision made	16,380.61	5,357.08
Less:- Provision write off	-	-
Less:- Provision reversed	2,946.17	-
Closing provisions	<b>23,350.96</b>	<b>9,916.52</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

#### C. Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence. The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

#### Maturity patterns of liabilities:

(₹ in thousand)

Particulars	Less than 12 months	More than 12 months	Total
<b>As at March 31, 2023</b>			
Trade payables	1,19,352.70	-	1,19,352.70
Borrowings	74,562.82	-	74,562.82
Other Financial liabilities	24,712.24	-	24,712.24
Lease Liabilities	15,658.37	-	15,658.37
<b>As at March 31, 2022</b>			
Trade payables	1,74,713.27	-	1,74,713.27
Borrowings	1,532.07	-	1,532.07
Other Financial liabilities	16,435.02	-	16,435.02
Lease Liabilities	3,412.87	46,199.99	49,612.86

#### D. Capital Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company does not distribute dividends to the shareholders.

#### Note 38 : Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief finance officer of the Company. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in Ind AS - 108.

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The Company operates in a single segment viz. Food & Beverages. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

## Note 39 : Earnings per share

(₹ in thousand)

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>(a) Basic and diluted earnings per share</b>		
Profit/(Loss) attributable to the equity holders of the company	-89,959.02	8,960.58
Total basic earnings per share attributable to the equity holders of the company	<b>-89,959.02</b>	<b>8,960.58</b>
<b>(b) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	4,49,37,674	4,83,52,674
Earning Per Share - Basic and diluted ( Face value of ₹ 10 Per Share)	(2.00)	0.19

## Note 40 : Financial Ratios

(₹ in thousand)

Ratio / Measure	Methodology	Year Ended 31st March , 2023	Year Ended 31st March , 2022
a) Current ratio	Current assets over current liabilities	0.29	0.51
b) Debt equity ratio	Debt over total shareholders equity	(1.03)	0.13
c) Debt service coverage ratio	EBIT over current debt	(1.08)	8.51
d) Return on equity %	PAT over total average equity	2.96	0.20
e) Trade receivables turnover ratio	Revenue from operations over average trade receivables	4.70	3.54
f) Trade payables turnover ratio	Adjusted expenses over average trade payables	0.72	0.43
g) Net capital turnover ratio	Revenue from operations over average working capital	(1.51)	(1.55)
h) Net profit %	Net profit over revenue	(40.74)	4.04
i) EBITDA %	EBIDTA over revenue	(1.11)	14.34
j) EBIT %	EBIT over revenue	(11.89)	(0.18)
k) Return on capital employed ratio	PBIT over average capital employed	0.43	(0.01)
l) Return on investment	Interest income, net gain on sale of investments and net fair value gain over weighted average investments	-	-

### Notes:

EBIT - Earnings before interest and tax

PBIT - Profit before interest and taxes including other income

EBITDA - Earnings before interest, taxes, depreciation and amortization

PAT - Profit after taxes

Debt includes current and non-current lease liabilities

Adjusted expenses refers to purchases of raw materials and other purchases

forming part of the financial statements for the year ended 31st March, 2023

Capital employed refers to total shareholder's equity and debt

Investments includes non-current investment, current investment and margin money deposit.

## Explanation for variance exceeding 25%

- a) Due to increase Current Liabilities during the year from Previous year
- b) Due to increase Inter corporate Deposit
- c) Due to incurred of Losses
- d) Due to incurred of Losses
- e) Due to decrease in average trade receivable during the year form previous year
- f) Due to decrease in average trade payable during the year form previous year.
- h) Due to incurred of Losses
- i) Due to incurred of Losses
- j) Due to incurred of Losses
- k) Due to incurred of Losses

**Note 41 :** Balances of Trade Receivable and Payables are subject to confirmations and reconciliation.

**Note 42 :** In the opinion of the Board, all assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at which they are stated.

## Note 43: Other Statutory Information

### i) DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

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 year.

ii) 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) Registration of charges or satisfaction with Registrar of Companies
- (d) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - i. 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

ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(e) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. 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
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

# Notes

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forming part of the financial statements for the year ended 31st March, 2023

- (f) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

**Note 44** : The figures for the previous financial year are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure

As per our Report of even date  
For S A R A & Associates  
Chartered Accountants  
Firm Regn No.120927W

Yogesh Rawal  
Partner  
Membership No. 146464  
UDIN: 23146464BGWHTN1525

Mumbai  
Date : 24th May 2023

For and on behalf of the Board of Directors  
Galaxy Cloud Kitchens Limited

Sunil Biyani  
Director  
DIN : 00006583

Nishant Dholakia  
CEO & ED  
DIN : 05200058

Prince Singh  
Deputy Chief Financial officer



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