

B S R & Co. LLP

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Private and confidential

The Board of Directors
Prataap Snacks Limited
Khasra No. 378/2, Nemawar Road,
Near Makrand House, Gram Palda,
Indore, Madhya Pradesh, 452020

29 September 2021

Independent Auditor's Certificate on non -applicability of Paragraph (A)(10)(b) of Part I of the master circular dated 22 December 2020 bearing reference no. CFD/DIL1/CIR/P/2020/249 issued by the Securities and Exchange Board of India ('SEBI')

1. This Certificate is issued in accordance with the terms of our engagement letter dated 23 September 2021 and addendum to the engagement letter dated 24 September 2021.
2. We are the independent auditors of Prataap Snacks Limited ('transferee Company') appointed under section 139 of the Companies Act, 2013.
3. The accompanying undertaking approved by the board of directors ('the Board') of the transferee Company at its meeting held on 29 September 2021 ('the Undertaking') stating the reasons for non-applicability of requirements under Paragraph (A)(10)(b) of Part I of the master circular dated 22 December 2020 issued by SEBI bearing reference no. CFD/DIL1/CIR/P/2020/249 ('SEBI Master Circular'), has been prepared by the Management of the transferee Company pursuant to the requirements of Paragraph (A)(10)(c) of Part I of the SEBI Master Circular in connection with its draft scheme of amalgamation of Avadh Snacks Private Limited ('Transferor Company 1') and Red Rotopack Private Limited ('Transferor Company 2') with Prataap Snacks Limited ('Transferee Company') and their respective shareholders and creditors in terms of the provisions of sections 230 to 232 of the Companies Act 2013 ('the Scheme'). We have initialed the Undertaking for identification purposes only.

Management's responsibility

4. The preparation of the Undertaking is the sole responsibility of management of the transferee Company including the creation and maintenance of all accounting and other records supporting the contents of the Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking.
5. Management is also responsible for ensuring that the transferee Company complies with the requirements of the SEBI Master Circular and the Companies Act, 2013 in relation to the Scheme and for providing all the information to the National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE").

Auditor's responsibility

6. Pursuant to the SEBI Master Circular, it is our responsibility to examine the Scheme and report whether the accompanying Undertaking stating the reasons for non-applicability of requirements under Paragraph (A)(10)(b) of Part I of the SEBI Master Circular regarding the voting by public shareholders through e-voting in connection with the Scheme is true and correct.
7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

9. Based on our examination and according to the information, explanations and representations provided to us, we are of the opinion that, the accompanying Undertaking stating the reasons for non-applicability of requirements under Paragraph (A)(10)(b) of Part I of the SEBI Master Circular regarding the voting by public shareholders through e-voting in connection with the Scheme is true and correct.

Restriction on use

10. This certificate is addressed to and provided to the Board of Directors of the transferee Company pursuant to the requirements of the circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the NSE and BSE and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

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by VIKRAM
ADVANI
Date: 2021.09.29
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Vikram Advani
Partner

Membership No: 091765

ICAI UDIN: 21091765AAAACH2927

Place: New Delhi

Date: 29 September 2021



Annexure 1

Undertaking in relation to non-applicability of requirements prescribed under Paragraph (A)(10)(a) of Part I read with Paragraph (A)(10)(b) of Part I of the SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December 2020.

1. Background

1.1. This is with reference to the proposed Scheme of Amalgamation amongst Avadh Snacks Private Limited (“**Transferor Company 1**”), Red Rotopack Private Limited (“**Transferor Company 2**”) and Prataap Snacks Limited (“**Transferee Company**”) and their respective shareholders and creditors (“**Scheme**”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

2. Requirement of the SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020

- 2.1. SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 (“**SEBI Master Circular**”) provides that a scheme of arrangement shall be acted upon only if the votes cast by public shareholders in favour of the scheme are more than the votes cast by the public shareholders against the scheme, in certain cases as more particularly set out in Paragraph (A)(10)(b) of Part I of the SEBI Master Circular..
- 2.2. Paragraph (A)(10)(c) of Part I of the SEBI Master Circular states that in cases where the scheme does not fall within the cases mentioned in Paragraph (A)(10)(b) of Part I of the SEBI Master Circular, the listed entity shall furnish an undertaking certified by the auditor and duly approved by the board of directors of the company, clearly stating the reasons for non-applicability of the aforesaid requirement.
- 2.3. Thus, in terms of Paragraph (A)(10)(c) of Part I of the SEBI Master Circular, the Transferee Company hereby undertakes that the requirements set out in Paragraph (A)(10)(a) of Part I read with the conditions prescribed in Paragraph (A)(10)(b) of Part I of the SEBI Master Circular are not applicable to the Scheme for the reasons mentioned below:

3. Reasons for non-applicability

3.1. Paragraph (A)(10)(b)(i)

“Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity,”

Reason for non – applicability

The Scheme does not contemplate issue and allotment of any shares to the Promoters/Promoter Group, Related Parties of the Promoter/Promoter Group, Associates of Promoters/Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group of the Transferee Company.



Prataap Snacks Limited

CIN : L15311MP2009PLC021746

3.2. Paragraph (A)(10)(b)(ii)

“Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.”

Reasons for non-applicability

The Scheme involves Prataap Snacks Limited (“**Transferee Company**”), Avadh Snacks Private Limited (“**Transferor Company 1**”) and Red Rotopack Private Limited (“**Transferor Company 2**”). Transferor Company 1 is a subsidiary of the Transferee Company and Transferor Company 2 is a wholly owned subsidiary of Transferor Company 1, and the Scheme does not involve the Transferee Company and any other entity involving Promoter/Promoter Group, Related Parties of Promoter/Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/ Promoter Group.

3.3. Paragraph (A)(10)(b)(iii)

“Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme”.

Reasons for non-applicability

The Transferee Company has not acquired, either directly or indirectly, the equity shares of either Transferor Company 1 or Transferor Company 2 from any of the shareholders of either Transferor Company 1 or Transferor Company 2 who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Transferee Company.

3.4. Paragraph (A)(10)(b)(iv)

“Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity”

Reasons for non-applicability

Pursuant to the Scheme, there shall be no reduction in the voting share of pre-scheme public shareholders of the Transferee Company by more than 5% of the total capital of the amalgamated Company.

3.5. Paragraph (A)(10)(b)(v)

“Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares”



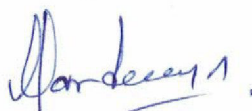
Reasons for non-applicability

The Scheme does not contemplate transfer of whole or substantially the whole of the undertaking of the Transferee Company.

In view of the reasons stated above, we undertake that the following requirement of Paragraph (A)(10)(a) of Part I read with conditions specified in Paragraph (A)(10)(b) of Part I of the SEBI Master Circular is not applicable to the Scheme:

“The Scheme of arrangement shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the numbers of votes cast by the public shareholders against it”

Yours very truly,
Prataap Snacks Limited



Authorised Signatory

