



O P BAGLA & CO LLP

CHARTERED ACCOUNTANTS

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B-225, 5th Floor, Okhla Indl. Area
Phase - 1, New Delhi - 110020
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Independent auditor's certificate on the accounting treatment proposed in the draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), Algoquant Investments Private Limited ('Amalgamating Company'), Algoquant Fintech Limited ('Resulting Company'/'Amalgamated Company') and their respective shareholders and creditors in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013, the Company (Compromises, Arrangements and Amalgamations) Rules, 2016 made thereunder, pursuant to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ('SEBI Master Circular')

To

The Board of Directors

Algoquant Fintech Limited (Formerly Hindustan Everest Tools Ltd.)
Unit No. 705, 07th Floor of Iscon Elegance, developed at Plot No. 24,
Praladnagar, Ahmedabad
Gujarat – 380 015

1. This certificate is issued in accordance with the terms of our engagement letter dated March 01, 2023 with Algoquant Fintech Limited ('the **Company**' or '**Resulting Company**' or '**Amalgamated Company**').
2. We, **O P Bagla & Co. LLP**, Chartered Accountants, the Statutory Auditors of the Company, have been requested by the Management of the Company, to examine the proposed accounting treatment specified in Clause 15, Clause 24 and Clause 25.9 of the draft Scheme of Arrangement amongst Growth Securities Private Limited ('**Demerged Company**'), Algoquant Investments Private Limited (Formerly Mandelia Investments Private Limited) ('**Amalgamating Company**') and the Company (hereinafter collectively referred to as '**Companies**') and their respective shareholders and creditors in terms of the provisions under Section 230 to 232 read with Section 66, and other applicable sections and provisions of the Companies Act, 2013 ('**Act**') read together with the rules made thereunder ('**the Scheme**'), as approved in the meeting of the board of Directors on March 10, 2023, with reference to its compliance with the accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other generally accepted accounting principles in India (collectively referred to as the '**applicable accounting standards**'), read with general circular No. 09/2019 issued by the Ministry of Corporate Affairs (MCA) date August 21, 2019 ('**the MCA circular**'). A certified true copy of the relevant extract of the draft Scheme for the proposed accounting treatment specified in Clause 15, Clause 24 and Clause 25.9 of the draft Scheme, as attached herewith in **Annexure 1**, has been initialed and stamped by us for identification purpose only.
3. The proposed Scheme is subject to approval of the respective shareholders and creditors of Growth Securities Private Limited, Algoquant Investments Private Limited, Algoquant Fintech Limited and statutory and other regulatory authorities, as applicable, including but not limited to Ahmedabad Bench of National Company Law Tribunal ('**Tribunal**' / '**NCLT**'), the Securities and Exchange Board of India ('**SEBI**') and the BSE Limited ('**Stock Exchange**').
4. The Appointed Date for the purpose of the draft Scheme is considered as April 01, 2023 or such other date as may be approved by the Hon'ble NCLT, with effect from which the draft Scheme will be deemed to be effective in the manner described in the draft Scheme.



Management's responsibility

5. The responsibility for the preparation of the draft Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The Board of Directors is also responsible for ensuring that the Company complies with the requirements of the Act and rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Master Circular and the applicable accounting standards, in relation to the draft Scheme, and for providing all relevant information to the Hon'ble NCLT, SEBI and Stock Exchange.

Auditor's responsibility

7. Pursuant to the requirements of Section 230 - 232 of the Companies Act, 2013, Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI Master Circular and other relevant laws and regulations, our responsibility is to provide a reasonable assurance in the form of an opinion as to whether the proposed accounting treatment specified in Clause 15, Clause 24 and Clause 25.9 of the draft Scheme is in compliance with applicable accounting standards, other generally accepted accounting principles read with the MCA Circular, the SEBI regulations and circulars issued thereunder.
8. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. The procedure selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following in relation to the Annexure:
 - A. Obtained and read the draft Scheme and the proposed accounting treatment specified therein;
 - B. Examined that the accounting treatment contained in the draft Scheme specified in Clause 15, Clause 24 and Clause 25.9 is in compliance with all the applicable Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles;
 - C. Obtained copy of resolution passed by the Board of Directors of the Company dated March 10, 2023;
 - D. Performed necessary inquiries with the management and obtained necessary representations from the management; and
 - E. performed other procedures as were necessary.
9. Our examination did not extend to any aspects of a legal or propriety nature covered in the Proposed Scheme.
10. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the applicable Generally Accepted Auditing Standards issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of 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 Engagement, issued by the ICAI.



Opinion

12. Based on our examination and according to the information and explanations given to us, along with representations provided by the management, we are of the opinion that the proposed accounting treatment specified at Clause 15, Clause 24 and Clause 25.9 of the draft Scheme is in compliance with the applicable accounting standards notified by the Central Government under Section 133 of Companies Act, 2013, other generally accepted accounting principles read with the MCA Circular and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder.

Restriction on use

13. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the SEBI circulars, Sections 230 to 232 and other applicable provisions of the Act read with the rules, for onward submission along with the Draft Scheme to the SEBI, the Stock Exchange, and the National Company Law Tribunal, Ahmedabad Bench and/or any other regulatory authority, as and when required. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
14. This certificate is issued at the request of the Company's management for onward submission along with the Draft Scheme to the SEBI, Stock Exchange and Hon'ble NCLT. Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without any prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

Sincerely,

For O P Bagla & Co LLP

Chartered Accountants

Firm Registration No.: 000018N/N500091

Deepanshu Saini
Deepanshu Saini

Partner

Membership Number: 510573

UDIN: 23510573BGXPLF4300



Place: New Delhi

Date: March 10, 2023



Annexure 1

Relevant extract of draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), Algoquant Investments Private Limited ('Amalgamating Company') and Algoquant Fintech Limited ('Resulting Company'/'Amalgamated Company') and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, pursuant to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ('SEBI Master Circular')

Clause 15 - Accounting treatment in the books of Resulting Company upon Part B of the draft Scheme becoming effective

15. ACCOUNTING TREATMENT IN THE BOOKS OF RESULTING COMPANY

Upon Part B of the Scheme becoming effective, with effect from the Appointed Date, transfer of the Demerged Undertaking shall be accounted for in the books of the Resulting Company using the "Pooling of interests" method in accordance with Appendix C to Ind AS 103 — Business combinations of entities under common control, prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time. Accordingly, the Resulting Company shall provide the following accounting treatment in its books of accounts:

- (i) Upon coming into effect of this Scheme, Resulting Company shall record the assets and liabilities including reserves, of the Demerged Undertaking vested in it pursuant to this Scheme, at their respective carrying values as appearing in the books of account of the Demerged Company;*
- (ii) The inter-company deposits/ loans and advances/ payables & receivables/ balances outstanding between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any, shall stand cancelled and thereafter, there shall be no obligation in that behalf;*
- (iii) The Resulting Company shall credit to its share capital and record the Part B New Equity Shares issued and allotted by it pursuant to Clause 13 of the Scheme.*
- (iv) The difference, if any, between the carrying value of assets and liabilities including reserves, under Clause 15(i) above transferred to the Resulting Company, further taking into consideration the impact of clause 15(ii), and the consideration discharged by way of the Part B New Equity Shares issued as per Clause 15(iii) above to the shareholders of the Demerged Company in lieu of the acquisition of Demerged Undertaking, shall be recorded as capital reserve in the books of the Resulting Company (debit or credit, as the case may be)*
- (v) The Resulting Company shall record in its books of account, all transactions relating to the Demerged Undertaking of the Demerged Company in respect of assets, liabilities including reserves, income and expenses from the Appointed Date to the Effective Date;*
- (vi) In case of any differences in accounting policy between the Demerged Company and the Resulting Company, the accounting policies of the Resulting Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the capital reserves to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policy.*



Algoquant Fintech Limited (Formerly Hindustan Everest Tools Limited)

Registered Office- 705, Iscon Elegance, Prahlad Nagar, Ahmedabad, Gujarat-380015 | **CIN-** L74110GJ1962PLC136701

Email ID: investors@algoquantfintech.com | **Mobile:** +91-9910032394 | **Website:** www.algoquantfintech.com

(vii) Notwithstanding the above, the Board of Directors of the Resulting Company is authorized to record assets, liabilities and reserves and surplus in compliance with prevailing accounting standards.

Clause 24 - Accounting treatment in the books of Amalgamated Company upon Part C of the draft Scheme becoming effective

Upon Part C of the Scheme becoming operative on the Effective Date, with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation of Amalgamating Company in its books of accounts in accordance with principles as laid down in Appendix C to the Indian Accounting Standards 103 (Business Combinations) notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:

- (i) All assets and liabilities of the Amalgamating Company shall be recorded by the Amalgamated Company at their respective book values as appearing in the books of the Amalgamating Company as on the Appointed Date;
- (ii) The identity of the reserves standing in the books of account of the Amalgamating Company shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form, as they appeared in the financial statements of the Amalgamating Company. As a result of preserving the identity, the reserves which are available for distribution before the amalgamation would also be available for distribution as dividend after amalgamation. The balance of the reserves appearing in the financial statements of the Amalgamating Company as on the Appointed Date will be aggregated with the corresponding balance appearing in the financial statements of the Amalgamated Company
- (iii) Inter-corporate deposits / loans and advances / balances outstanding, if any, between the Amalgamated Company and the Amalgamating Company shall stand cancelled and there shall be no further obligation in this regard
- (iv) Shares held by the Amalgamating Company in the Amalgamated Company shall stand cancelled pursuant to Clause 22 of this Scheme. There shall be no further obligation in respect of the cancelled shares. The cancellation of share capital will be effected as part of this Scheme and the order of the NCLT shall be deemed to be the order under the applicable provisions of the Act for confirming the cancellation of share capital
- (v) Entire inter-company investments held by the Amalgamating Company in the Amalgamated Company and by the Amalgamated Company in the Amalgamating Company shall stand cancelled
- (vi) The Amalgamated Company shall credit to its share capital and record the Part C New Equity Shares issued and allotted by it pursuant to Clause 21 of the Scheme.
- (vii) The difference, if any, between the book value of assets and liabilities (including reserves) under sub-clause (i) and (ii) of Clause 24 above transferred to the Amalgamated Company, further taking into consideration the impact of sub-clause (iii), (iv) and (v) of Clause 24 and the consideration discharged by way of the Part C New Equity Shares issued as per Clause 24(vi) above to the shareholders of the Amalgamating Company in lieu of the amalgamation, shall be recorded as capital reserve in the books of the Amalgamated Company (debit or credit, as the case may be)



- (viii) In case of any differences in accounting policy between the Amalgamating Company and the Amalgamated Company, the accounting policies of the Amalgamated Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the capital reserves to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.
- (ix) Notwithstanding the above, the Board of Directors of the Amalgamated Company, is authorised to record assets, liabilities and reserves and surplus in compliance with prevailing accounting standards.

Clause 25.9 - Accounting treatment in the books of the Resulting Company / Amalgamated Company for issue of Bonus Shares upon Part D of the draft Scheme becoming effective

"25.9 The Bonus Shares shall be issued by way of capitalization of the sum standing to the credit of the Securities Premium Account, Retained Earnings Account and/or any other free reserve of the Resulting Company / Amalgamated Company, in any manner as may be deemed fit by its Board of Directors."

For and on behalf of the Algoquant Fintech Limited


Devansh Gupta
Managing Director
DIN: 06920376



Place: New Delhi
Date: March 10 2023



Independent auditor's certificate on the accounting treatment proposed in the draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), Algoquant Investments Private Limited ('Amalgamating Company'), Algoquant Fintech Limited ('Resulting Company' / 'Amalgamated Company') and their respective shareholders and creditors in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013, the Company (Compromises, Arrangements and Amalgamations) Rules, 2016 made thereunder, pursuant to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ('SEBI Master Circular')

To
The Board of Directors
Growth Securities Private Limited
Unit No. 503 A-B, 504 A-B,
5th Floor, Tower A WTC Block No. 51,
Road 5E, Zone-5, Gift City, Gandhinagar,
Gujarat – 382 355

1. This certificate is issued in accordance with the terms of our engagement letter dated March 01, 2023 with Growth Securities Private Limited ('**Demerged Company**'/'**the Company**').
2. We, **VGG & CO.**, Chartered Accountants, the Statutory Auditors of the Company, have been requested by the Management of the Company, to examine the proposed accounting treatment specified in Clause 14 of the draft Scheme of Arrangement amongst the Company, Algoquant Investments Private Limited (*Formerly Mandelia Investments Private Limited*) ('**Amalgamating Company**') and Algoquant Fintech Limited ('**Resulting Company**' / '**Amalgamated Company**') (hereinafter collectively referred to as '**Companies**') and their respective shareholders and creditors in terms of the provisions under Section 230 to 232 read with Section 66, and other applicable sections and provisions of the Companies Act, 2013 ('**Act**') read together with the rules made thereunder ('**the Scheme**'), as approved in the meeting of the board of Directors on March 10, 2023, with reference to its compliance with the accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other generally accepted accounting principles in India (collectively referred to as the '**applicable accounting standards**'), read with general circular No. 09/2019 issued by the Ministry of Corporate Affairs (MCA) date August 21, 2019 ('**the MCA circular**'). A certified true copy of the relevant extract of the draft Scheme for the proposed accounting treatment specified in Clause 14, as attached herewith in **Annexure 1**, has been initialed and stamped by us for identification purpose only.
3. The proposed Scheme is subject to approval of the respective shareholders and creditors of Growth Securities Private Limited, Algoquant Investments Private Limited, Algoquant Fintech Limited and statutory and other regulatory authorities, as applicable, including but not limited to Ahmedabad Bench of National Company Law Tribunal ('**Tribunal**' / '**NCLT**'), the Securities and Exchange Board of India ('**SEBI**') and the BSE Limited ('**Stock Exchange**').
4. The Appointed Date for the purpose of the draft Scheme is considered as April 01, 2023 or such other date as may be approved by the Hon'ble NCLT, with effect from which the draft Scheme will be deemed to be effective in the manner described in the draft Scheme.



Management's responsibility

5. The responsibility for the preparation of the draft Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The Board of Directors is also responsible for ensuring that the Company complies with the requirements of the Act and rules and the SEBI Master Circular and the applicable accounting standards, in relation to the draft Scheme, and for providing all relevant information to the Hon'ble NCLT, SEBI and Stock Exchange.

Auditor's responsibility

7. Pursuant to the requirements of Section 230 - 232 of the Companies Act, 2013, Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI Master Circular and other relevant laws and regulations, our responsibility is to provide a reasonable assurance in the form of an opinion as to whether the proposed accounting treatment specified in Clause 14 of the draft Scheme is in compliance with applicable accounting standards, other generally accepted accounting principles read with the MCA Circular.
8. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. The procedure selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following in relation to the Annexure:
 - A. Obtained and read the draft Scheme and the proposed accounting treatment specified therein;
 - B. Examined that the accounting treatment contained in the draft Scheme specified in Clause 14 is in compliance with all the applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2021, and other generally accepted accounting principles;
 - C. Obtained copy of resolution passed by the Board of Directors of the Company dated March 10, 2023;
 - D. Performed necessary inquiries with the management and obtained necessary representations from the management; and
 - E. performed other procedures as were necessary.
9. Our examination did not extend to any aspects of a legal or propriety nature covered in the Proposed Scheme.
10. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the applicable Generally Accepted Auditing Standards issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of 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 Engagement, issued by the ICAI.



Opinion

12. Based on our examination and according to the information and explanations given to us, along with representations provided by the management, we are of the opinion that the proposed accounting treatment specified at Clause 14 of the draft Scheme is in compliance with the applicable accounting standards notified by the Central Government under Section 133 of Companies Act, 2013, other generally accepted accounting principles read with the MCA Circular and SEBI Master Circular.

Restriction on use

13. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI Master Circular, Sections 230 to 232 and other applicable provisions of the Act read with the rules, for onward submission along with the draft Scheme to the SEBI, the Stock Exchange, and the National Company Law Tribunal, Ahmedabad Bench and/or any other regulatory authority, as and when required. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
14. This certificate is issued at the request of the Company's management for onward submission along with the draft Scheme to the SEBI, Stock Exchange and Hon'ble NCLT. Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without any prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

Sincerely,

For VGG & Co.

Chartered Accountants

Firm Registration Number: 031985N


Vaibhav Gupta

Partner

Membership Number: 099715

UDIN: 23099715 BCUVHC 6351



Place: New Delhi

Date: March 10, 2023

Annexure 1

Relevant extract of draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), Algoquant Investments Private Limited ('Amalgamating Company') and Algoquant Fintech Limited ('Resulting Company')/'Amalgamated Company') and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, pursuant to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ('SEBI Master Circular')

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE DEMERGED COMPANY

Upon Part B the Scheme becoming effective and with effect from the Appointed Date, the transfer of the Demerged Undertaking shall be accounted for in the books of the Demerged Company in accordance with applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 and/or generally accepted accounting principles in India. Accordingly, Demerged Company shall provide the following accounting treatment in its books of account:

- (i) The Demerged Company, as on Appointed Date shall reduce the carrying value of all assets and liabilities including reserves, pertaining to the Demerged Undertaking transferred to the Resulting Company from its books of account.*
- (ii) the inter-corporate deposits/ loans and advances/ balances outstanding between the Demerged Undertaking of the Demerged Company and the Resulting Company, if any, shall stand cancelled and thereafter there shall be no obligation in that behalf;*
- (iii) The difference between the carrying value of assets and liabilities including reserves, pertaining to the Demerged Undertaking of the Demerged Company, transferred to the Resulting Company, and post giving effect to clause 14(ii) above shall be adjusted against the capital reserve of the Demerged Company.*
- (iv) Any negative capital reserve pursuant to the accounting as per Clause 14(iii) above shall be adjusted against the retained earnings in the books of the Demerged Company.*
- (v) For any matter not specifically addressed above, the Board of Directors of Demerged Company, is authorized to account for the balances in the manner, as may be deemed fit, in accordance with the prescribed Accounting Standards issued by the Central Government as may be amended from time to time and the Generally Accepted Accounting Principles in India.*

For and on behalf of the Growth Securities Private Limited



Dhruv Gupta
Director
DIN: 06920431



Place: New Delhi
Date: March 10, 2023





O P BAGLA & CO LLP

CHARTERED ACCOUNTANTS

Regd. Office :

B-225, 5th Floor, Okhla Indl. Area

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Independent auditor's certificate on the accounting treatment proposed in the draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), Algoquant Investments Private Limited ('Amalgamating Company'), Algoquant Fintech Limited ('Resulting Company' / 'Amalgamated Company') and their respective shareholders and creditors in terms of the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013, the Company (Compromises, Arrangements and Amalgamations) Rules, 2016 made thereunder, pursuant to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ('SEBI Master Circular')

To

The Board of Directors

Algoquant Investments Private Limited

705, Iscon Elegance, S.G. Highway, Satellite,

Prahlad Nagar, Ahmedabad

Gujarat - 380 015

1. This certificate is issued in accordance with the terms of our engagement letter dated March 01, 2023 with Algoquant Investments Private Limited (Formerly Mandelia Investments Private Limited) ('Amalgamating Company') ('the Company').
2. We, O P Bagla & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, have been requested by the Management of the Company, to examine the accounting treatment in the books of the Company pursuant to Part C of the draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), the Company and Algoquant Fintech Limited ('Resulting Company' / 'Amalgamated Company') (hereinafter collectively referred to as 'Companies') and their respective shareholders and creditors in terms of the provisions under Section 230 to 232 read with Section 66, and other applicable sections and provisions of the Companies Act, 2013 ('Act') read together with the rules made thereunder ('the Scheme'), as approved in the meeting of the board of Directors on March 10, 2023, with reference to its compliance with the accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other generally accepted accounting principles in India (collectively referred to as the 'applicable accounting standards'), read with general circular No. 09/2019 issued by the Ministry of Corporate Affairs (MCA) date August 21, 2019 ('the MCA circular'). A certified true copy of the relevant extract of the draft Scheme viz. Clause 23 and Clause 24, as attached herewith in **Annexure 1**, has been initialed and stamped by us for identification purpose only.
3. The proposed Scheme is subject to approval of the respective shareholders and creditors of Growth Securities Private Limited, Algoquant Investments Private Limited, Algoquant Fintech Limited and statutory and other regulatory authorities, as applicable, including but not limited to Ahmedabad Bench of National Company Law Tribunal ("Tribunal" / "NCLT"), the Securities and Exchange Board of India ("SEBI") and the BSE Limited ("Stock Exchange").
4. The Appointed Date for the purpose of the draft Scheme is considered as April 01, 2023 or such other date as may be approved by the Hon'ble NCLT, with effect from which the draft Scheme will be deemed to be effective in the manner described in the draft Scheme.



Management's responsibility

5. The responsibility for the preparation of the draft Scheme and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The Board of Directors is also responsible for ensuring that the Company complies with the requirements of the Act and rules and the SEBI Master Circular and the applicable accounting standards, in relation to the draft Scheme, and for providing all relevant information to the Hon'ble NCLT, SEBI and Stock Exchange.

Auditor's responsibility

7. Pursuant to the requirements of Section 230 - 232 of the Companies Act, 2013, Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI Master Circular and other relevant laws and regulations, our responsibility is to provide a reasonable assurance in the form of an opinion as to whether the proposed accounting treatment specified in Clause 23 and Clause 24 of the draft Scheme is in compliance with applicable accounting standards, other generally accepted accounting principles read with the MCA Circular and the SEBI regulations and circulars issued thereunder.
8. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. The procedure selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following in relation to the Annexure:
 - A. Obtained and read the draft Scheme and the proposed accounting treatment specified therein;
 - B. Examined that the accounting treatment contained in the draft Scheme specified in Clause 24 is in compliance with all the applicable Indian Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and other generally accepted accounting principles;
 - C. Obtained copy of resolution passed by the Board of Directors of the Company dated March 10, 2023;
 - D. Performed necessary inquiries with the management and obtained necessary representations from the management; and
 - E. performed other procedures as were necessary.
9. Our examination did not extend to any aspects of a legal or propriety nature covered in the Proposed Scheme.
10. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the applicable Generally Accepted Auditing Standards issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
11. We have complied with the relevant applicable requirements of 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 Engagement, issued by the ICAI.



Opinion

12. Based on our examination of Clause 23 and Clause 24 of Part C of the draft Scheme and according to the information and explanations given to us, along with representations provided by the management, we are of the opinion that the Company shall be amalgamated with Algoquant Fintech Limited with effect from the Appointed Date (as defined in the draft Scheme) and shall stand dissolved without the process of winding up. Accordingly, we understand that no accounting treatment shall be required in the books of account of the Company pursuant to the proposed Scheme becoming effective.

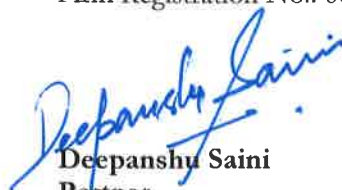
Restriction on use

13. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the SEBI circulars, Sections 230 to 232 and other applicable provisions of the Act read with the rules, for onward submission along with the Draft Scheme to the SEBI, the stock exchanges, and the relevant National Company Law Tribunal, Ahmedabad Bench and/or any other regulatory authority, as and when required. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
14. This certificate is issued at the request of the Company's management for onward submission along with the Draft Scheme to the SEBI, Stock Exchange and Hon'ble NCLT. Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without any prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

Sincerely,

For O P Bagla & Co LLP
Chartered Accountants

Firm Registration No.: 000018N/N500091


Deepanshu Saini
Partner

Membership Number: 510573

UDIN: 23510573BKPLG1260



Place: New Delhi

Date: March 10, 2023



Annexure 1

Relevant extract of draft Scheme of Arrangement amongst Growth Securities Private Limited ('Demerged Company'), Algoquant Investments Private Limited ('Amalgamating Company') and Algoquant Fintech Limited ('Resulting Company'/'Amalgamated Company') and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, pursuant to the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time ('SEBI Master Circular')

Clause 23 – Dissolution of the Amalgamating Company

Upon Part C of this Scheme becoming operative on the Effective Date, Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Company and/or the Amalgamated Company.

Clause 24 - Accounting treatment in the books of Amalgamated Company upon Part C of the draft Scheme becoming effective


Upon Part C of the Scheme becoming operative on the Effective Date, with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation of Amalgamating Company in its books of accounts in accordance with principles as laid down in Appendix C to the Indian Accounting Standards 103 (Business Combinations) notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:

- (i) All assets and liabilities of the Amalgamating Company shall be recorded by the Amalgamated Company at their respective book values as appearing in the books of the Amalgamating Company as on the Appointed Date;*
- (ii) The identity of the reserves standing in the books of account of the Amalgamating Company shall be preserved and they shall appear in the financial statements of the Amalgamated Company in the same form, as they appeared in the financial statements of the Amalgamating Company. As a result of preserving the identity, the reserves which are available for distribution before the amalgamation would also be available for distribution as dividend after amalgamation. The balance of the reserves appearing in the financial statements of the Amalgamating Company as on the Appointed Date will be aggregated with the corresponding balance appearing in the financial statements of the Amalgamated Company*
- (iii) Inter-corporate deposits / loans and advances / balances outstanding, if any, between the Amalgamated Company and the Amalgamating Company shall stand cancelled and there shall be no further obligation in this regard*
- (iv) Shares held by the Amalgamating Company in the Amalgamated Company shall stand cancelled pursuant to Clause 22 of this Scheme. There shall be no further obligation in respect of the cancelled shares. The cancellation of share capital will be effected as part of this Scheme and the order of the NCLT shall be deemed to be the order under the applicable provisions of the Act for confirming the cancellation of share capital*
- (v) Entire inter-company investments held by the Amalgamating Company in the Amalgamated Company and by the Amalgamated Company in the Amalgamating Company shall stand cancelled*



- (vi) *The Amalgamated Company shall credit to its share capital and record the Part C New Equity Shares issued and allotted by it pursuant to Clause 21 of the Scheme.*
- (vii) *The difference, if any, between the book value of assets and liabilities (including reserves) under sub-clause (i) and (ii) of Clause 24 above transferred to the Amalgamated Company, further taking into consideration the impact of sub-clause (iii), (iv) and (v) of Clause 24 and the consideration discharged by way of the Part C New Equity Shares issued as per Clause 24(vi) above to the shareholders of the Amalgamating Company in lieu of the amalgamation, shall be recorded as capital reserve in the books of the Amalgamated Company (debit or credit, as the case may be)*
- (viii) *In case of any differences in accounting policy between the Amalgamating Company and the Amalgamated Company, the accounting policies of the Amalgamated Company will prevail and the difference till the Appointed Date will be quantified and adjusted in the capital reserves to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.*
- (ix) *Notwithstanding the above, the Board of Directors of the Amalgamated Company, is authorised to record assets, liabilities and reserves and surplus in compliance with prevailing accounting standards.*

For and on behalf of the Algoquant Investments Private Limited


Dhruv Gupta
Director
DIN: 06920431



Place: New Delhi
Date: March 10, 2023