



SDG & CO
Chartered Accountants

ANNEXURE V

To,
The Board of Directors,
Canopy Finance Limited
301 Corporate Arena Off,
Aarey Pinnacle X Road,
3rd Floor, Behind Mahindra Gardens,
Goregaon West, Mumbai – 400062

Sub: Certificate on the proposed accounting treatment in the scheme of amalgamation in pursuance of the provisions of the Companies Act, 2013 ('The Act')

We, SDG & Co. Chartered Accountants the Statutory Auditors of Canopy Finance Limited, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 11 of the Draft Scheme of Arrangement between Canopy Finance Limited ("the Transferor Company"/ "the Company") and Purple Finance Limited ("the Transferee Company") in terms of the provisions of section(s) section 230 to 232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

Management's Responsibility

The Company's Management is responsible for the preparation of the Proposed Scheme and its compliance with the relevant laws and regulations including the accounting treatment being in accordance with relevant accounting standards specified under the Act and as per other applicable laws and regulations.

The Company's Management is responsible for preparation and maintenance of all accounting records and documents relating to the amalgamation and an internal controls structure sufficient to permit the timely and reliable recording of transactions and prevention and detection of the Frauds and errors.

Auditor's Responsibility

Our responsibility is only to examine and report on whether the proposed accounting treatment in the books of the Company specified in Para 11 of the Part IV of the Proposed Scheme and as reproduced in Annexure I of this report is in conformity with the relevant accounting standards.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) 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. 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.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in

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accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Opinion

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013 and/or the accounting treatment in respect of Nil item(s) as prescribed by Reserve Bank of India vide its Notification Nil which prevail over the accounting treatment for the same as prescribed under the aforesaid Accounting Standards (wherever applicable), except the following:
NIL

In our view read with the above, the accounting treatment proposed in paragraph II of Part D of the Proposed Scheme and as reproduced in Annexure I of this report, once approved by the relevant authority will be in conformity with Ind AS 103 i.e. the Accounting Standards prescribed under section 133 of the Act.

Restriction on Use

This Certificate is issued at the request of the Canopy Finance Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited and Calcutta Stock Exchange Limited (*Stock Exchange(s)*). This Certificate should not be used for any other purpose without our prior written consent.

For SDG & Co.

Chartered Accountants

Firm Registration No.: 137864W

MS



Ajay S. Yadav

Partner

Membership Number: 10982

Place: Mumbai

Date: 14/11/2022

UDIN: 22170602-BDD-LDX9048



SDG & CO Chartered Accountants

Extract of the Accounting Treatment on Merger of Merger by Absorption of Canopy Finance Limited ("CFL" or "Transferor Company") by Purple Finance Limited ("PFL" or "Transferee Company").

1. ACCOUNTING TREATMENT IN BOOKS OF PFL

- 1.1. Upon the Scheme being Effective, PFL, the Transferee Company shall account for the Amalgamation of CFL, the Transferor Company in its books of accounts with effect from the Effective Date in accordance applicable Indian Accounting Standards (Ind AS) 103 — "Business Combination" as issued by the Institute of Chartered Accountants of India and notified by Ministry of Corporate Affairs under the provisions of section 133 and other applicable provisions of Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.
- 1.2. All the assets and liabilities of CFL, the Transferor Company are transferred to and vested in the PFL, the Transferee Company shall be recorded at their respective fair values as appearing in the books of accounts of the Transferor Company in accordance with the requirement of Ind AS.

The balance, if any, in the Reserves account or credit or debit balance of profit and loss account of Transferor Company, as the case may be, shall be transferred to and aggregated with the corresponding reserves in the books of accounts of Transferee Company.



VASANT AGRE & ASSOCIATES
CHARTERED ACCOUNTANTS

10-11/B/2, Sai Prasad Apartment, Tolly Gully Cross Lane, Andheri (East), Mumbai - 400 069. • Tel: 2682 4480 / 26833 1016 • Email: vagreca@gmail.com

VAA/CERT/0039/2022-23

ANNEXURE V

To,
The Board of Directors,
Purple Finance Limited
Room No. 11, 1st Floor,
Indu Chamber, 349/353,
Samuel Street,
Vadgadi, Masjid Bunder (West),
Mumbai- 400 003

We, **Vasant Agre & Associates**, Chartered Accountants the Statutory Auditors of **Purple Finance Limited**, (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 11 of the Draft Scheme of Arrangement between Canopy Finance Limited ("the Transferor Company"/ "the Company") and Purple Finance Limited ("the Transferee Company") in terms of the provisions of section(s) section 230 to 232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956/ Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013 and/or the accounting treatment in respect of Nil as prescribed by Reserve Bank of India vide its Notification Nil which prevail over the accounting treatment for the same as prescribed under the aforesaid Accounting Standards (wherever applicable), except the following:
NIL

This Certificate is issued at the request of the Purple Finance Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited and Calcutta Stock Exchange Limited. This Certificate should not be used for any other purpose without our prior written consent.

For Vasant Agre & Associates
Chartered Accountants
FRN Registration No. 116453W


[Vasant B. Agre]
Proprietor
M. No. 043447
Mumbai, 14.11.2022
UDIN : 22043447BDBZJV9223

