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2503-06252

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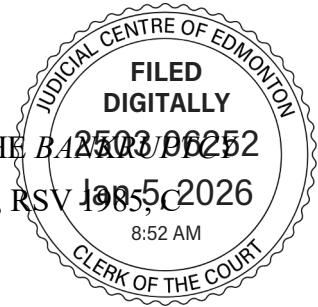
COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTER

EDMONTON

MATTER

IN THE MATTER OF THE BANKRUPTCY
AND INSOLVENCY ACT, RSV 1985, C
B-3, AS AMENDED



AND IN THE MATTER OF THE
RECEIVERSHIP OF MAHINDRA
INVESTMENTS (AB) LTD. AND
MAHINDRA JEWELLERS (AB) LTD. AND
BLUEWATER (786) CONTRACTORS LTD.
AND SURREY GOLD JEWELLERS (AB)
LTD.

APPLICANT

ROYAL BANK OF CANADA

RESPONDENTS

MAHINDRA INVESTMENTS (AB) LTD.,
MAHINDRA JEWELLERS (AB) LTD.,
BLUEWATER (786) CONTRACTORS LTD.
and SURREY GOLD JEWELLERS (AB)
LTD.

DOCUMENT

FIFTH REPORT OF THE RECEIVER

ADDRESS FOR SERVICE AND CONTACT
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I. INTRODUCTION

1. On March 26, 2025, BDO Canada Limited (“**BDO**”), as the proposed interim receiver in the below *ex-parte* application scheduled by Royal Bank of Canada (“**RBC**”), prepared and submitted a pre-filing report (the “**Pre-Filing Report**”) which outlined its findings in respect of a receivership matter of certain related entities located in British Columbia.
2. On April 3, 2025, upon an *ex-parte* application by RBC, the Court of King’s Bench of Alberta (the “**Court**”) granted an Order (the “**IR Order**”), appointing BDO as interim receiver (in such capacity, the “**Interim Receiver**”) of all of the jewellery and other inventory, accounts, money, instruments, and the records and chattels and devices in which records are contained of Mahindra Jewellers (AB) Ltd. (“**Jewellers**”), Mahindra Investments (AB) Ltd. (“**Investments**”), Bluewater (786) Contractors Ltd. (“**Bluewater**”), and Surrey Gold Jewellers (AB) Ltd. (“**Surrey Gold**”, or collectively with all the foregoing entities, the “**Companies**” or the “**Mahindra AB Companies**”). Pursuant to the IR Order, the Interim Receiver’s appointment was to terminate on the earlier of (i) the appointment of a receiver, or (ii) May 2, 2025, unless otherwise ordered by the Court. The Interim Receiver took possession of the jewellery inventory on April 4, 2025.
3. On April 16, 2025, the Interim Receiver issued a report (the “**Interim Receiver Report**”) providing information to the Court in respect of the Interim Receiver’s activities and observations since the granting of the IR Order, and in advance of RBC’s *ex-parte* application seeking the Preservation Order (as defined below).
4. On April 17, 2025, upon an *ex-parte* application by RBC, the Court granted an Order (the “**Preservation Order**”) authorizing RBC, its agents, and employees to take steps as may be necessary to preserve the real property described in the Preservation Order (being the properties of Investments).
5. On April 25, 2025 (the “**Receivership Date**”), upon application by RBC, the Court granted an Order (the “**Receivership Order**”), appointing BDO as receiver (in such capacity, the “**Receiver**”) of the assets, undertakings, and property of the Companies.

6. On June 23, 2025, the Receiver filed its First Report (the “**First Report**”) and Confidential Supplement to the First Report (the “**First Confidential Supplement**”) in connection with its application seeking the Honourable Court’s approval of, among other things, a proposed transaction for the sale of Units 47 and 48 (as defined in the First Report).
7. On June 30, 2025, upon application by the Receiver, the Court granted an Order (the “**Units 47 and 48 SAVO**”) approving the sale of Units 47 and 48, amongst other relief. The sale of Units 47 and 48 closed on July 31, 2025.
8. On August 1, 2025, the Receiver filed its Second Report (the “**Second Report**”) and Confidential Supplement to the Second Report (the “**Second Confidential Supplement**”) in connection with its application seeking this Honourable Court’s approval of, among other things:
 - a) A proposed transaction for the sale of Units 87 and 88 (as defined in the First Report);
 - b) The sale of inventory to Guardian International Gold Corp (“**Guardian**”);
 - c) An agreement with Bonhams Canada (“**Bonhams**”) to auction certain jewellery inventory;
 - d) The sale of potential third party inventory that was in the Receiver’s possession; and
 - e) A vesting order providing clear title to a Ford vehicle that was sold by the Receiver.
9. On August 14, 2025, upon application by the Receiver, the Court granted an Order (the “**Units 87 and 88 SAVO**”), approving the sale of Units 87 and 88, amongst other relief. The purchaser was unable to complete the sale of Units 87 and 88 and on October 2, 2025, the Receiver advised the purchaser’s legal counsel that it was terminating the Original 87 and 88 Sale Agreement (as defined below).
10. On October 24, 2025, the Receiver filed its Third Report (the “**Third Report**”) and Confidential Supplement to the Third Report (the “**Third Confidential Supplement**”) in

connection with its application seeking this Honourable Court's approval of, among other things:

- a) A declaration that a failed purchase deposit be forfeited to the Receiver for the benefit of the receivership estate as the purchaser failed to close the sale of Units 87 and 88;
 - b) A proposed transaction for the sale of Units 87 and 88 to a new purchaser; and
 - c) A proposed transaction for the sale of Unit 3 (as defined in the Third Report).
11. On November 5, 2025, upon application by the Receiver, the Court granted the following orders:
- a) An order declaring the failed purchase deposit an asset of the receivership estate;
 - b) An order approving the sale of Units 87 and Units 88 to a new purchaser; and
 - c) An order approving the sale of Unit 3.
12. The sale of Unit 3 closed on November 27, 2025. The sale of Units 87 and 88 closed on November 28, 2025.
13. On December 1, 2025, the Receiver filed its Fourth Report (the "**Fourth Report**") and Confidential Supplement to the Fourth Report (the "**Fourth Confidential Supplement**") in connection with its application seeking this Honourable Court's approval of, among other things, a proposed transaction for the sale of the High River Property (as defined in the Fourth Report).
14. The application associated with the Fourth Report of the Receiver was brought contemporaneously with an application to bankrupt Jewellers, being brought by Yes Plan Auto Finance Inc ("**Yes Plan**").
15. On December 17, 2025, upon the applications brought by the Receiver and Yes Plan, the Court granted the following orders:
- a) An order approving the sale of the High River Property; and
 - b) An order placing Jewellers in bankruptcy.

16. The Receiver anticipates the sale of the High River Property will close in early January 2026.
17. Jewellers was petitioned into bankruptcy pursuant to an Order of this Court issued on December 17, 2025.

II. PURPOSE OF THIS REPORT

18. This fifth report of the Receiver (the “**Fifth Report**” or the “**Report**”) has been prepared for the purpose of providing this Honourable Court with information concerning the following matters, among other things:
 - a) A brief background on the Companies;
 - b) An overview of the Receiver’s activities since the Fourth Report; and
 - c) The Receiver’s request for Court approval of a distribution of proceeds to certain secured creditors as set out in this Report.
19. This Report should be read in conjunction with the Pre-Filing Report, Interim Receiver Report, First Report, First Confidential Supplement, Second Report, Second Confidential Supplement, Third Report, Third Confidential Supplement, Fourth Report, and the Fourth Confidential Supplement.

III. SCOPE AND TERMS OF REFERENCE

20. In preparing this Report and in making the recommendations contained herein, the Receiver has relied upon information obtained from discussions with industry experts, creditors, and where appropriate and available, the Companies’ books and records.
21. The Receiver has not audited, reviewed, or otherwise attempted to verify the accuracy and completeness of such information, and, accordingly, the Receiver expresses no opinion or other assurance in respect of such information as reflected in this Report. The Receiver

may refine or alter its observations as further information is obtained or brought to its attention after the date of this Report.

22. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party because of circulation, publication, reproduction, or use of this Report. Any use that any party makes of this Report, or reliance on, or decisions to be made based on it, is the sole responsibility of such party
23. All references to dollars are in Canadian currency unless otherwise noted.

IV. COMPANY BACKGROUND

24. A summary of each of the Companies is provided below:
 - a) Jewellers operated a retail jewellery business in Edmonton, Alberta and was incorporated on June 21, 2021. As outlined in the First Report, the Receiver took possession of various jewellery located at the Edmonton Property (as defined in the First Report) understood to be owned by Jewellers;
 - b) Investments is a real estate holding company that owned nine (9) units in Alberta, which are summarized in the First Report, including the property that Jewellers operated from. Investments was incorporated on June 21, 2021;
 - c) Surrey Gold was incorporated on June 21, 2021, but does not appear to have any active operations. The Receiver understands that Surrey Gold was intended to be a retail jewellery store; and
 - d) Bluewater was incorporated on January 8, 2022, but does not appear to have any active operations or assets.
25. The principals of Jewellers, Investments, and Surrey Gold are Mr. Pawandeep Dhunna and Ms. Sonia Dhunna. Mr. Pawandeep Dhunna is the sole principal of Bluewater.

26. Additional background information, including further details of the Companies' assets and liabilities as understood by the Receiver as of that Receivership Date, are included in the First Report, Second Report, Third Report and Fourth Report.

V. ACTIVITIES OF THE RECEIVER

27. Since the Fourth Report, the Receiver has undertaken the following activities, among others:
- a) Continued to have select jewellery inventory auctioned by Bonhams;
 - b) Completed the refining process for certain jewellery and received the corresponding distribution of proceeds;
 - c) Provided regular updates to RBC regarding the receivership proceedings;
 - d) Continued to market the remaining property in Calgary and administer the High River Property (which has tenants); and
 - e) Prepared this Fifth Report.

VI. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

28. The Receiver is currently holding approximately \$5.3 million between Jewellers and Investments. A summary of the consolidated Statement of Receipts and Disbursements for the period of April 3, 2025 to December 28, 2025 is shown on the following page.

	Jewellers (\$000's)	Investments (\$000's)	Total (\$000's)
Receipts			
Sales and rental income	1,498	4,662	6,160
Advance from secured creditor	12	193	205
GST / HST collected	169	3	172
Other	12	10	22
	1,691	4,868	6,559
Disbursements			
Receiver's fees	-	305	305
Repayment of Receiver's borrowings	-	205	205
GST / HST paid	169	30	199
Legal fees	-	128	128
Property taxes	-	115	115
Sales commission	-	113	113
Strata fees	-	85	85
Storage	37	-	37
Insurance, utilities, repairs and maintenance	3	25	28
Security and change of locks	5	7	12
Other costs	-	10	10
Site cleanup	4	-	4
Transfer from Investments to Jewellers	(40)	40	-
	178	1,063	1,241
Re-allocation of costs	(155)	155	-
Excess Receipts over Disbursements	1,358	3,960	5,318

VII. DISTRIBUTION TO SECURED CREDITORS

29. The Receiver estimates that after factoring in outstanding costs, it is in a position to distribute approximately \$5.3 million as of the date of this Report.
30. Based on the available net cash held in trust and the estimated future recoveries and disbursements, the Receiver anticipates that approximately \$7.4 million will be available for distribution to the creditors. A summary of the Receiver's estimated funds available for distribution to the creditors as at December 28, 2025 is set out below.

	Jewellers (\$000's)	Investments (\$000's)	Total (\$000's)
Cash in bank	1,358	3,960	5,318
Estimated future recoveries	144	2,100	2,244
Estimated future disbursements	(55)	(150)	(205)
Estimated funds available for distribution	1,447	5,910	7,357
Priority creditors:			
Deemed trust - payroll source deductions	53	24	77
Deemed trust - GST	-	5	5
RBC debt (estimated to Dec 31, 2025)	1,085	4,808	5,893
Total priority creditors	1,138	4,837	5,975
Estimated funds available to other creditors	309	1,073	1,382

31. The Receiver further anticipates additional recoveries of approximately \$2.2 million from the sale of the remaining properties and the auction of certain jewellery inventory. In addition, further payments of approximately \$205,000 in respect of professional fees and disbursements through to the completion of the receivership are anticipated.
32. The Receiver intends, in due course, to satisfy the deemed trust claims of the CRA in respect of payroll source deductions for both Jewellers and Investments, as well as the GST deemed trust claim in respect of Investments. As a result of the bankruptcy of Jewellers, CRA's claim for GST in Jewellers is unsecured. CRA has completed a payroll trust examination and filed deemed trust claims for source deductions in the amounts of \$53,207 for Jewellers and \$24,132 for Investments. In addition, CRA has completed a GST trust examination and filed a deemed trust claim of \$5,213 in respect of Investments.
33. RBC advises that as of December 31, 2025, it is owed approximately \$1.1 million in respect of Jewellers and approximately \$4.8 million in respect of Investments, for a combined total of approximately \$5.9 million plus ongoing interest and costs. The Receiver has requested a precise loan balance with a per diem as it relates to Jewellers and will be providing that information to the Court at the upcoming application. As set out in earlier reports of the Receiver, RBC is fully cross collateralized as it relates to Jewellers and Investments. In this regard, RBC held or currently holds a first collateral mortgage on all of the real estate properties of Investments and a registered security interest in all of the current and after

acquired property of the Companies. Legal counsel to the Receiver has conducted a review of the security held by RBC which confirmed it to be valid and enforceable, subject to customary qualifications or assumptions.

34. Based on the above estimates and related assumptions, the Receiver estimates that RBC will be repaid in full in respect of both the Investments and Jewellers estates. Any distribution to the first secured creditor, RBC, will first be subject to the deemed trust claims of CRA.
35. The Receiver requests the Court's approval to make a distribution to CRA in respect of the deemed trust claims in the amounts described above. The Receiver further requests the Court's approval to make a distribution to RBC of up to the total amount of RBC's secured indebtedness against Jewellers and Investments.

VIII. CONCLUSION AND RECOMMENDATIONS

Conclusion

36. The Receiver anticipates the sale of the High River Property to close in early January 2026.
37. The Receiver has continued to facilitate the auction of select jewellery items through Bonhams.
38. The Receiver is in a position to satisfy, in full, the CRA's deemed trust claims in respect of payroll source deductions and GST.
39. The Receiver anticipates being in a position to repay RBC's secured indebtedness in full and accordingly is seeking the Court's approval to distribute funds up to the amount of their secured claim of approximately \$5.9 million plus ongoing interest and costs.

Recommendations

40. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant the following relief, approving:

- a) The Receiver's activities as summarized in this Report;
- b) An Order approving a distribution to CRA for deemed trust claims against Investments and Jewellers;
- c) An Order approving a distribution to RBC up to the amount of its secured indebtedness; and
- d) Providing such further and other relief that the Court considers just and warranted in the circumstances.

All of which is respectfully submitted this 29th day of December 2025.

BDO CANADA LIMITED,

In its capacity as Receiver of
Mahindra Jewellers (AB) Ltd.
Mahindra Investments (AB) Ltd.
Bluewater (786) Contractors Ltd.
Surrey Gold Jewellers (AB) Ltd.
and not in its personal or corporate capacity.

Per: 

Chris Bowra, CPA, CA, CIRP, LIT
Senior Vice President



Breanne Scott, CPA, CIRP, LIT
Vice President