



**Independent Auditor's Report**

**To the Members of Mount Everest Breweries Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Mount Everest Breweries Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss and the cash flow statement and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statement").

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, for example Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report etc., but does not include the Financial Statements and our auditors' report thereon.

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 Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.



## **Responsibilities of Management and those charged with governance for the Financial Statements**

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 Statements that give a true and fair view of the financial position, financial performance, and cash flows in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statements, 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.

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

## **Auditors' Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Statements.

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 Statements, 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 Companies Act, 2013, 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 statements 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; and

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 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 Statements 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**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in the annexure referred to in the paragraph above, 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, the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h. 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, as amended, 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 statements as stated in Note 28 to the financial statement;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C

  
(Nilesh Kumar Jain)  
Partner

Membership No. 418488  
UDIN: 20418488AAAABA8310

FRM. 016939C



Place: Indore

Dated: 15<sup>th</sup> September 2020

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to our report of even date to the members of **Mount Everest Breweries Limited** as at and for the year ended March 31, 2020:

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a program of physical verification of its property, plant and equipment in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, 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 title deeds of immovable properties are held in the name of the Company.
- ii. As informed to us, the inventories of the Company except for materials in transit and finished goods lying with third parties have been physically verified by the management and/or by an independent agency at the reasonable intervals. The year-end physical verification of inventories was carried out by the management subsequent to Balance Sheet date, on account of lockdown enforced across country during this period, and performed roll back procedure to confirm any discrepancies at the year-end stock. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. The Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has not given any loans or provided any guarantees or securities to parties covered under section 185 of the Companies Act, 2013. Further as per the information and explanations given to us, provision of section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and guarantees & securities given have been complied with by the Company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and according to information and explanations given to us, the Government has not specified maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of company's product.
- vii. (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in depositing the same in a few cases. According to information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, duty of customs,



duty of excise, value added tax, goods and services tax, cess and other statutory dues were outstanding at the year end, for a period of more than six months from the date they become payable.

- (b) According to the information and explanation given to us, the dues of sales tax, income tax, duty of customs, , goods & service tax duty of excise, service tax and value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending as on 31<sup>st</sup> March, 2020 are as under :-

Sr. No.	Name of the Statute	Nature of Case	Amount (Rs. In Lakh)	Period to which Amount Relates	Forum at which case is pending
1	The Madhya Pradesh Excise Act, 1915	Excise Duty Demand	72.66	2009-11	MP High Court
			10.42	2011-17	State Excise Commissioner
2	The Central sales tax Act, 1956	Central Sales Tax Demand	7.84	2015-16	Additional Commissioner Commercial Tax, Indore
3	Service Tax	Service Tax Demand	1747.11	2009-12	CESTAT, New Delhi
4	Income Tax Act, 1961	Income Tax Demand	1772.31	2012-18	Commissioner of Income Tax (Appeals), Bhopal

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. Based on our audit procedures and as per the information and explanations given by the management, the Company did not have any outstanding dues to a financial institution or government or due to debentures holders.
- ix. According In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. Based on the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer and debt instruments.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the company or material fraud on the company by the officers and employees of the company has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the 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 statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and on overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and consequently the reporting requirements under clause 3 (xiv) are not applicable to the company and not commented upon.
- 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

For Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C



(Nilesh Kumar Jain)

Partner

Membership No. 418488

UDIN: 20418488AAAABA8310



Place: Indore

Dated: 15<sup>th</sup> September 2020

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

### REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 Mount Everest Breweries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements 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. 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### 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.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2020, 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 Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C



(Nilesh Kumar Jain)  
Partner

Membership No. 418488  
UDIN: 20418488AAAABA8310



Place: Indore

Dated: 15<sup>th</sup> September 2020

**MOUNT EVEREST BREWERIES LIMITED**  
**CIN No.U15549MP1999PLC049379**  
**BALANCE SHEET as at 31st March, 2020**

PARTICULARS	NOTE NO.	(₹ in Lacs)	
		As at 31st March 2020	As at 31st March 2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDER'S FUNDS</b>			
SHARE CAPITAL	3	2,061.10	2,061.10
RESERVES & SURPLUS	4	5,789.23	4,956.55
<b>2 NON-CURRENT LIABILITIES</b>			
LONG TERM BORROWINGS	5	1,750.65	1,017.61
DEFERRED TAX LIABILITIES (NET)	6	742.96	775.62
<b>3 CURRENT LIABILITIES</b>			
SHORT TERM BORROWINGS	7	4,117.67	2,645.35
TRADE PAYABLES	8		
-TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES; AND		128.29	-
-TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		3,449.73	3,429.67
OTHER CURRENT LIABILITIES	9	2,963.03	3,213.44
SHORT TERM PROVISIONS	10	163.83	207.00
<b>TOTAL</b>		<b>21,166.50</b>	<b>18,306.34</b>
<b>II. ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
FIXED ASSETS			
TANGIBLE ASSETS	11	9,079.94	9,223.07
CAPITAL WORK-IN-PROGRESS	11	1,100.39	269.27
INTANGIBLE ASSETS	12	0.01	0.02
NON CURRENT INVESTMENTS			
LONG TERM LOANS & ADVANCES	14	143.94	123.65
<b>2 CURRENT ASSETS</b>			
INVENTORIES	15	5,481.80	2,912.94
TRADE RECEIVABLES	16	3,568.44	4,488.70
CASH AND BANK BALANCES	17	149.38	138.08
SHORT TERM LOANS AND ADVANCES	18	105.36	262.03
OTHER CURRENT ASSETS	19	1,537.24	888.48
<b>TOTAL</b>		<b>21,166.50</b>	<b>18,306.34</b>

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

  
**(Nilesh Kumar Jain)**  
PARTNER  
M.NO.- 418488  
FRN: 016939C



For and on behalf of the Board of Directors

  
Gopal Agrawal  
Whole Time Director  
DIN: 00840188

  
Ranjan Tiberwal  
Director  
DIN: 01786410

  
Rohit Singi  
Chief Financial Officer

  
Pravendra Kumar Pal  
Company Secretary

Place : Indore  
Date : 15th September, 2020



**MOUNT EVEREST BREWERIES LIMITED**  
**CIN No.U15549MP1999PLC049379**  
**STATEMENT OF PROFIT & LOSS for the year ended on 31st March, 2020**

PARTICULARS	NOTE NO.	(₹ in Lacs)	
		For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>INCOME</b>			
I. REVENUE FROM OPERATIONS	20	27,213.29	34,488.27
II. OTHER INCOME	21	56.10	73.08
III. <b>TOTAL REVENUE (I + II)</b>		<b>27,269.39</b>	<b>34,561.35</b>
<b>EXPENDITURE</b>			
IV. COST OF MATERIALS CONSUMED	22	12,505.75	11,794.07
CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS	23	(1,299.67)	(79.27)
EMPLOYEE BENEFITS EXPENSE	24	1,022.10	902.52
FINANCE COSTS	25	460.27	422.10
DEPRECIATION AND AMORTISATION EXPENSE	11 & 12	850.03	799.66
OTHER EXPENSES	26	12,806.12	19,489.53
<b>TOTAL EXPENSES</b>		<b>26,344.61</b>	<b>33,328.62</b>
V. <b>PROFIT BEFORE TAX (III - IV)</b>		<b>924.78</b>	<b>1,232.74</b>
VI. <b>TAX EXPENSE</b>			
1) CURRENT TAX		131.25	272.10
2) TAX FOR EARLIER PERIOD		(6.50)	-
3) DEFERRED TAX		(32.66)	66.48
VII. <b>PROFIT AFTER TAX (V - VI)</b>		<b>832.69</b>	<b>894.16</b>
EARNING PER EQUITY SHARE OF FACE VALUE OF Rs.10/- EACH			
BASIC AND DILUTED (Excluding Extra Ordinary Item)	29	4.04	4.34
BASIC AND DILUTED (Including Extra Ordinary Item)	29	4.04	4.34

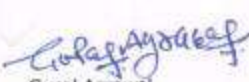
Accompanying notes form an integral part of the financial statements,  
As per our report of even date


**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

  
  
**(Nilesh Kumar Jain)**  
PARTNER  
M.NO.- 418488  
FRN: 016939C

Place : Indore  
Date : 15th September, 2020

For and on behalf of the Board of Directors

  
Gopal Agrawal  
Whole Time Director  
DIN: 00840188

  
Ranjan Tiberwal  
Director  
DIN: 01786410

  
Rohit Singh  
Chief Financial Officer

  
Pravendra Kumar Pal  
Company Secretary



**MOUNT EVEREST BREWERIES LIMITED**  
CIN No.U15549MP1999PLC049379  
**CASH FLOW STATEMENT for the year ended 31st March, 2020**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT/LOSS BEFORE TAX	924.78	1,232.74
<b>Adjustments for:</b>		
DEPRECIATION / AMORTISATION	850.03	799.66
PROFIT ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT	6.03	(3.03)
FINANCE COST	460.27	422.10
INTEREST INCOME	(13.27)	(20.07)
BAD DEBTS	-	30.65
PROVISION - Obsolete Stock	9.75	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,237.60</b>	<b>2,462.05</b>
<b>MOVEMENT IN WORKING CAPITAL</b>		
INCREASE/(DECREASE) IN TRADE PAYABLE	148.35	697.78
INCREASE/(DECREASE) IN OTHER CURRENT LIABILITIES & PROVISIONS	(230.82)	(66.16)
(INCREASE)/DECREASE IN TRADE RECEIVABLES	920.26	(1,722.20)
(INCREASE)/DECREASE IN INVENTORIES	(2,578.61)	(79.30)
(INCREASE)/DECREASE IN LOANS, ADVANCES & OTHER CURRENT ASSETS	(245.45)	(183.88)
<b>NET MOVEMENT IN WORKING CAPITAL</b>	<b>(1,986.26)</b>	<b>(1,353.76)</b>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>251.34</b>	<b>1,108.29</b>
DIRECT TAX PAID	504.86	179.58
<b>NET CASH FLOW FROM OPERATIONS (A)</b>	<b>(253.53)</b>	<b>928.71</b>
<b>B. CASH FLOW FROM INVESTMENTS</b>		
PURCHASE OF FIXED ASSETS	(1,413.18)	(1,106.41)
PROCEEDS FROM SALE OF FIXED ASSET	31.16	3.81
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	(6.76)	(0.24)
INTEREST INCOME RECEIVED	13.27	20.07
<b>NET CASH USED IN INVESTMENTS (B)</b>	<b>(1,375.51)</b>	<b>(1,082.77)</b>
<b>C. CASH FLOW FROM FINANCE</b>		
PROCEED FROM ISSUE OF SHARES	-	-
FINANCE COST	(439.07)	(424.33)
PROCEED/(REPAYMENT) OF LONG TERM BORROWINGS	600.33	(604.92)
PROCEEDS FROM SHORT TERM BORROWINGS	1,472.33	1,129.42
<b>NET CASH FLOW FROM FINANCE (C)</b>	<b>1,633.59</b>	<b>100.17</b>
<b>NET CASH FLOW / (OUTFLOW) (A+B+C)</b>	<b>4.55</b>	<b>(53.89)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
(OPENING BALANCE)	114.07	167.96
(CLOSING BALANCE)	118.62	114.07
<b>NET INCREASE / (DECREASE) IN CASH</b>	<b>4.55</b>	<b>(53.89)</b>

- Notes :**
- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Cost Accountants of India.
  - The following have been considered under financing activities :- Cash credit / Working capital demand loan and other borrowings being source of finance.
  - Proceeds from borrowings are shown net of repayments.
  - Purchase of fixed assets are shown inclusive of movements in capital work - in - progress.
  - Cash and cash equivalents represent cash & bank balances other than bank balances marked lien as margin money.
  - Previous year's figures have been regrouped wherever necessary.

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

  
(Nilesh Kumar Jain)  
PARTNER  
M.No. 4184188  
FRH. 016939C

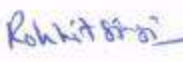


Place : Indore  
Date : 15th September, 2020

For and on behalf of the Board of Directors

  
Gopal Agrawal  
Whole Time Director  
DIN: 00840188

  
Ranjan Tiberwal  
Director  
DIN: 01786410

  
Rohit Singi  
Chief Financial Officer

  
Pravendra Kumar Pal  
Company Secretary



## MOUNT EVEREST BREWERIES LTD.

Notes forming part of the Balance Sheet as at 31st March, 2020 and Profit & Loss Account for the year ended on 31st March, 2020.

### 1. Corporate Information

Mount Everest Breweries Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (now Companies Act, 2013). The Company is engaged primarily in the manufacture and sale of beer. The Company has manufacturing facilities in India.

### 2. Basis of Preparation of Financial Statements:

The company adopts the mercantile system of Accounting and recognizes, Income and expenditure on accrual basis except where stated specifically. The financial statements have been prepared by following a going concern approach and are in conformity with the statutory provisions, accounting standards notified under Section 129 & 133 of the Companies Act, 2013 and the relevant provisions thereof and generally accepted practices prevailing in India except as otherwise stated.

#### 2.1 Summary of Significant Accounting Policies

##### (a) Property, Plant & Equipment's:

Property, plant and equipment, capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term projects, if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on fixed assets is calculated on a straight-line method ("SLM") basis using the useful lives estimated by the management. For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as estimated by the management. The Company has used the following useful lives to provide depreciation on its fixed assets:



Particular	Useful Life (in Years)
Factory Buildings	30
Plant & Equipment	15*
Computers	3
Office Equipment	5
Furniture & Fittings	10
Vehicles	8

\*In respect of assets used at any time during the year on double shift or triple shift basis, the depreciation for that period is increased by 50% or 100%, respectively.

In respect of following assets, not included above, the useful lives estimated by the management, basis technical assessment, are different from those indicated in Schedule II to the Companies Act, 2013:

- (i) RO Membranes & Carbo Blender (both included in Plant & Equipment) are depreciated on a straight-line basis over a period of 3 years being useful life, as estimated by the management considering nature of these assets.
- (ii) Assets individually costing Rs. 5,000 or less are depreciated on a straight-line basis over a period of 1 year being useful life, as estimated by the management considering such assets do not have enduring benefits.

**(b) Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

A summary of amortization policies applied to the Company's intangible assets is as below:

Computer Software	3 Years
-------------------	---------



**(c) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior years is reversed if there has been a change in the estimate of recoverable amount.

**(d) Lease Assets:**

Leases where the lessor effectively retain substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a Straight-line basis over the lease term. Lease income is recognized in the Profit and Loss Account on an accrual basis.

**(e) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**(f) Investments :**

Current investments are carried at lower of cost and quoted/fair value, computed category wise, Long Term Investments are stated at cost. Provisions for diminution in the value of the long-term investments is made only if such a decline is other than temporary.

**(g) Inventories:**

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis for all inventories except for by products and scrap materials which are valued at net realizable value.



**(h) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Products**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer usually on dispatch of the goods from brewery/warehouses. Gross turnover excludes GST,VAT and CST.

**Revenue from rendering of Services**

Revenue from rendering of services is recognized on pro-rata basis over the period of contract and when the performance of agreed contractual task has been completed.

**Interest**

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(i) Bottling Business:**

The company is having arrangement for manufacturing of the products of certain brand owners on fixed charge basis. In view of state excise laws, these transactions have taken place in the name of the company and accordingly accounted for in the books of accounts of the company notwithstanding the risks and rewards being with respective brand owners.

**(j) Employee Benefits:**

- (i) The company's contribution to Provident Fund and Employees State Insurance Scheme are charged to profit & loss account.
- (ii) Short-term employee benefits are recognized as an expense at the un-discounted amount in the profit and loss account of the year in which the related service is rendered.
- (iii) Post employment and other long-term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the profit and loss account.
- (iv) Encashment of leave is recognized and provided on yearly basis. There is accumulation of leave encashment and same are paid upon accumulation at year end of the accumulated leaves in excess of 90 days or upon cessation of employment.



**(k) Earning Per Share:**

The earning considered in ascertaining the company's earning per share (EPS) comprise of the net profit after tax. The number of shares used in computing diluted EPS comprise of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares.

**(l) Foreign Currency Transaction:**

- (i) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.
- (ii) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable as on that date.
- (iii) Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at transaction cost.
- (iv) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.

**(m) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. .

**(n) Income Taxes:**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible



timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date.

The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



**NOTE 3  
SHARE CAPITAL**

PARTICULARS	₹ in Lacs	
	As at 31st March 2020	As at 31st March 2019
<b>A) AUTHORISED:</b>		
2,20,00,000 (PREVIOUS YEAR 2,20,00,000) EQUITY SHARES OF Rs. 10/- EACH	2200.00	2200.00
<b>TOTAL</b>	<b>2200.00</b>	<b>2200.00</b>
<b>B) ISSUED</b>		
2,06,11,027 (PREVIOUS YEAR 2,00,48,000 ) EQUITY SHARES OF Rs.10/- EACH	2061.10	2061.10
<b>C) SUBSCRIBED AND FULLY PAID UP :</b>		
2,06,11,027 (PREVIOUS YEAR 2,00,48,000 ) EQUITY SHARES OF Rs.10/- EACH	2061.10	2061.10
<b>TOTAL</b>	<b>2061.10</b>	<b>2061.10</b>

**Nota 3.1**

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at	As at
	31st March, 2020	31st March, 2019
	No. of Shares	No. of Shares
Equity shares at the beginning of the year	2,06,11,027	2,06,11,027
Equity Shares issued during the year	-	-
Equity shares at the end of the year	2,06,11,027	2,06,11,027

**Nota 3.2**

The company has only one class of equity shares having par value of Rs 10 each. Each holder of equity share is entitled to one vote per share.

**Nota 3.3**

Details of shares in the company held by each shareholder holding more than 5% shares

Sr. No	Name of Shareholder	31st March, 2020		31st March, 2019	
		No. of Equity Shares	% of total subscribed and fully paid up shares	No. of Equity Shares	% of total subscribed and fully paid up shares
1	Novelty Realtors Pvt. Ltd.	44,63,027	21.65%	44,63,027	21.65%
2	Moriya Merchandise Pvt. Ltd.	32,33,409	15.69%	32,33,409	15.69%
3	Eagle Agencies Pvt. Ltd.	23,40,135	11.35%	23,40,135	11.35%
4	Millennium Urja Ltd.	21,36,000	10.36%	21,36,000	10.36%
5	Smilington Holdings Pvt. Ltd.	12,12,900	5.88%	12,12,900	5.88%
6	Accord Varitija Pvt. Ltd.	11,31,406	5.49%	11,31,406	5.49%

**NOTE 4  
RESERVE & SURPLUS**

PARTICULARS	₹ in Lacs	
	As at 31st March 2020	As at 31st March 2019
<b>A) SECURITIES PREMIUM RESERVE</b>	2342.03	2342.03
<b>B) GENERAL RESERVE</b>		
Opening Balance	229.64	209.64
Add: Transferred from surplus	20.00	20.00
	249.64	229.64
<b>C) SURPLUS</b>		
Opening Balance	2384.88	1510.72
Add: Profit for the year transferred from Statement of Profit & Loss	832.69	894.16
Amount available for appropriation	3217.56	2404.88
Appropriations:		
Amount transferred to General Reserve	20.00	20.00
	3197.56	2384.88
<b>TOTAL</b>	<b>5789.23</b>	<b>4956.55</b>



**NOTE 5  
LONG TERM BORROWINGS**

(₹ in Lacs)

PARTICULARS	As at		As at	
	31st March 2020	31st March 2020	31st March 2019	31st March 2019
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
TERM LOANS FROM BANKS (Secured) (Refer Note 5.1 & Note 5.2)	1091.55	660.88	1017.61	793.59
LOANS FROM BODY CORPORATES (Unsecured) (Refer Note 5.3)	659.10	0.00	0.00	0.00
<b>TOTAL</b>	<b>1750.65</b>	<b>660.88</b>	<b>1017.61</b>	<b>793.59</b>

**Note 5.1**

Details of Loan Taken from Bank

(₹ in Lacs)

PARTICULARS OF LOAN	As at		As at	
	31st March 2020	31st March 2020	31st March 2019	31st March 2019
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Term Loan From IDBI Bank (Repayable in 14 quarterly installments, last installment falling due in Jan 2020. Interest Rate as at 31.03.2020 - 10.65%)	0.00	0.00	0.00	292.10
Term Loan From HDFC Bank (Repayable in 21 quarterly installments, last installment falling due in Feb. 2022. Interest Rate as at 31.03.2020 - 10.50%)	220.00	400.00	635.00	315.00
Term Loan From HDFC Bank (Repayable in 15 quarterly installments, last installment falling due in Aug. 2021. Interest Rate as at 31.03.2020 - 10.65%)	108.32	196.95	305.27	162.48
Term Loan From HDFC Bank (Repayable in 15 quarterly installments, last installment falling due in Dec. 2025. Interest Rate as at 31.03.2020 - 9.25%)	712.50	37.50	0.00	0.00
Vehicle Loan From HDFC Bank-65408089 (Repayable in 60 monthly installments, last installment falling due in Feb. 2024. Interest Rate - 9.70% fixed)	5.33	1.46	6.64	1.31
Vehicle Loan From HDFC Bank-65406653 (Repayable in 60 monthly installments, last installment falling due in Feb. 2024. Interest Rate - 9.70% fixed)	3.71	1.10	4.98	0.99
Vehicle Loan From HDFC Bank-65644880 (Repayable in 60 monthly installments, last installment falling due in Feb. 2024. Interest Rate - 8.90% fixed)	39.42	10.98	50.47	9.97
Vehicle Loan From Kotak Mahindra -15657340 (Repayable in 37 monthly installments, last installment falling due in Apr. 2021. Interest Rate - 8.53% fixed)	0.57	6.49	7.10	5.92
Vehicle Loan From Kotak Mahindra -15924849 (Repayable in 37 monthly installments, last installment falling due in Jun. 2021. Interest Rate - 9.05% fixed)	1.70	6.41	8.15	5.82
<b>TOTAL</b>	<b>1091.55</b>	<b>660.88</b>	<b>1017.61</b>	<b>793.59</b>

**Note 5.2**

a) Term loan includes Rs.77.17 Lacs (previous year Rs. 101.35 Lacs) as car loan, loan repayable on monthly basis, secured by hypothecation on assets acquired under the scheme

b) Financial assistance of Rs.1675.27 Lacs (previous year Rs.1709.85 Lacs) as term loan, loan repayable on quarterly basis, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company.

**Note 5.3**

a) Financial assistance of Rs.659.10 Lacs (previous year Rs.NIL) from various corporate entities, repayable between 1 years to 3 years and are unsecured in nature and carries rate of interest @12% P.A.

**NOTE 6**

**DEFERRED TAX LIABILITY (NET)**

PARTICULARS	As at	As at
	31st March 2020	31st March 2019
<b>DEFERRED TAX LIABILITY</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	761.15	782.73
Provision for Gratuity	0.00	-
	<u>761.15</u>	<u>782.73</u>
<b>LESS: DEFERRED TAX ASSETS</b>		
Provision for Gratuity	10.97	0.00
Provision for Leave Encashment	7.22	5.95
Provision for Bonus	0.00	1.16
	<u>18.19</u>	<u>7.11</u>
<b>DEFERRED TAX LIABILITIES (NET)</b>	<b>742.96</b>	<b>775.62</b>



**NOTE 7  
SHORT TERM BORROWINGS**

PARTICULARS	₹ In Lacs)	
	As at 31st March 2020	As at 31st March 2019
<b>SECURED BORROWINGS</b>		
FROM BANKS (Refer Note No. 7.1)	1708.96	1014.52
<b>UNSECURED BORROWING</b>		
FROM BANKS (Refer Note No. 7.2)	1000.00	422.90
FROM BODY CORPORATES (Refer Note No. 7.3)	1408.72	1207.93
<b>TOTAL</b>	<b>4117.67</b>	<b>2645.35</b>

**Note 7.1**

Financial assistance of Rs. 1708.96 Lacs (previous year Rs. 1014.52 Lacs) as cash credit facility, repayable on demand, secured by first charge by way of hypothecation of inventory and book debts and second charge by way of hypothecation of movable and mortgage of immovable on entire present and future net block. These loans are further secured by the personal guarantee of some of the employees of the company.

**Note 7.2**

Financial assistance of Rs. 1000 Lacs (previous year Rs. Nil Lacs) as working capital facility, repayable at 90 days. The working capital facility are further secured by the personal guarantee of some of the employees of the company.

**Note 7.3**

Financial assistance of Rs. 1408.72 Lacs (previous year Rs. 1207.93 Lacs) from various corporate entities, repayable on demand and are unsecured in nature and carries rate of interest @12% P.A.

**NOTE 8  
TRADE PAYABLES**

PARTICULARS	₹ In Lacs)	
	As at 31st March 2020	As at 31st March 2019
-Total outstanding dues of micro enterprises and small enterprises; and (Refer Note 8.1)	128.29	0.00
-Total outstanding dues of creditors other than micro enterprises and small enterprises	3449.73	3429.67
<b>TOTAL</b>	<b>3578.02</b>	<b>3429.67</b>

**Note 8.1**

The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Particulars	As at 31st March.2020	As at 31st March.2019
Principal amount due and remaining unpaid	128.29	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

**NOTE 9  
OTHER CURRENT LIABILITIES**

PARTICULARS	₹ In Lacs)	
	As at 31st March 2020	As at 31st March 2019
CURRENT MATURITIES OF LONG TERM DEBT (Refer Note 5)	660.88	793.59
CREDITORS FOR CAPITAL EXPENDITURE	157.80	14.90
INTEREST ACCRUED BUT NOT DUE ON BORROWINGS	18.46	16.77
STATUTORY DUES PAYABLE	128.28	252.44
ADVANCES RECEIVED FROM CUSTOMERS	7.35	13.13
EMPLOYEE RELATED DUES	69.30	90.34
OTHER PAYABLES (Refer Note 9.1)	1,920.96	2,032.27
<b>TOTAL</b>	<b>2963.03</b>	<b>3213.44</b>

**Note 9.1**

Others Payables include financial assistance from United Breweries Limited for working capital requirement under the agreement.

**NOTE 10  
SHORT TERM PROVISIONS**

PARTICULARS	₹ In Lacs)	
	As at 31st March 2020	As at 31st March 2019
PROVISIONS FOR EMPLOYEE BENEFITS	39.45	7.98
PROVISION FOR TAXATION (NET OF ADVANCE)	124.39	199.03
<b>TOTAL</b>	<b>163.83</b>	<b>207.00</b>



**NOTE 11  
TANGIBLE ASSETS**

NAME OF THE ASSETS	GROSS BLOCK					DEPRECIATION					NET BOOK VALUE	
	AS ON 01.04.2019	ADDITION DURING THE YEAR	SALES/TRANS. DURING THE YEAR	AS ON 31.03.2020	UP TO 01.04.2019	DURING THE YEAR	WRITTEN BACK	UP TO 31.03.2020	AS ON 31.03.2020	AS ON 31.03.2019	AS ON 31.03.2019	
	(₹ in Lacs)											
LAND	199.86	125.85	0.00	325.71	0.00	0.00	0.00	0.00	325.71	199.86	199.86	
BUILDING	2856.93	334.01	0.00	3230.94	547.61	103.18	0.00	650.79	2580.15	2349.32	2349.32	
PLANT & MACHINERY	5715.49	252.12	96.64	9870.97	3285.64	689.87	59.45	3926.06	5944.91	6429.85	6429.85	
VEHICLE	305.56	0.74	0.00	306.30	104.00	34.40	0.00	138.40	167.90	201.56	201.56	
OFFICE EQUIPMENTS	15.12	13.53	0.00	28.65	3.99	4.59	0.00	8.58	20.07	11.13	11.13	
FURNITURE & FIXTURE	34.93	2.54	0.00	37.44	9.93	3.06	0.00	12.99	24.44	24.96	24.96	
COMPUTERS	18.81	15.29	0.00	34.10	12.42	4.92	0.00	17.34	16.76	6.39	6.39	
<b>TOTAL</b>	<b>13186.56</b>	<b>744.08</b>	<b>96.64</b>	<b>13834.10</b>	<b>3963.59</b>	<b>850.02</b>	<b>59.45</b>	<b>4754.16</b>	<b>9079.94</b>	<b>9223.07</b>	<b>9223.07</b>	
WORK IN PROGRESS	269.27	1084.31	253.19	1100.39	0.00	0.00	0.00	0.00	1100.39	269.27	269.27	
<b>TOTAL</b>	<b>269.27</b>	<b>1084.31</b>	<b>253.19</b>	<b>1100.39</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1100.39</b>	<b>269.27</b>	<b>269.27</b>	
<b>TOTAL</b>	<b>13455.93</b>	<b>1828.39</b>	<b>349.83</b>	<b>14934.49</b>	<b>3963.59</b>	<b>850.02</b>	<b>59.45</b>	<b>4754.16</b>	<b>10180.33</b>	<b>9492.34</b>	<b>9492.34</b>	
PREVIOUS YEAR	8701.53	3493.76	49.04	12146.25	2597.71	623.43	45.44	3175.70	8970.55	6103.82	6103.82	

**NOTE 12  
INTANGIBLE ASSETS**

NAME OF THE ASSETS	COST		DEPRECIATION		NET BOOK VALUE	
	AS ON 01.04.2019	ADDITION DURING THE YEAR	AS ON 31.03.2020	UP TO 01.04.2019	DURING THE YEAR	WRITTEN BACK
	UP TO 31.03.2020	UP TO 31.03.2020	UP TO 31.03.2020	UP TO 31.03.2020	UP TO 31.03.2020	UP TO 31.03.2020
COMPUTER SOFTWARE	0.30	0.00	0.30	0.29	0.00	0.00
<b>TOTAL</b>	<b>0.30</b>	<b>0.00</b>	<b>0.30</b>	<b>0.29</b>	<b>0.00</b>	<b>0.00</b>



**NOTE 13**  
**NON-CURRENT INVESTMENT**

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
Long Term - Other than Trade		
INVESTMENT IN MUTUAL FUNDS - (Fully Paid Up)		
RELIANCE VISION FUND-GROWTH PLAN (Market Value Rs. Nil (previous Year Rs.31,585/-))	0.00	0.10
<b>TOTAL</b>	<b>0.00</b>	<b>0.10</b>

**NOTE 14**  
**LONG TERM LOANS & ADVANCES**  
(Unsecured and Considered Good)

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
CAPITAL ADVANCES	34.76	53.88
SECURITY DEPOSIT	109.18	69.77
<b>TOTAL</b>	<b>143.94</b>	<b>123.65</b>

**NOTE 15**  
**INVENTORIES**

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
(At Lower of Cost or Net Realisable Value)		
RAW MATERIAL	698.42	489.04
STOCK IN PROCESS	306.54	235.18
FINISHED GOODS	2304.14	1075.84
STORES & SPARES	472.12	388.65
PACKAGING MATERIAL (net of Obsolescence)	1700.58	724.22
<b>TOTAL</b>	<b>5481.80</b>	<b>2912.94</b>

**NOTE 16**  
**TRADE RECEIVABLES**  
(Unsecured and Considered Good)

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
OVER SIX MONTHS	98.11	77.29
OTHERS	3470.33	4411.41
<b>TOTAL</b>	<b>3568.44</b>	<b>4488.70</b>

**NOTE 17**  
**CASH & BANK BALANCES**

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
<b>I. CASH &amp; BANK BALANCE</b>		
BALANCE WITH BANKS (Refer Note 17.1)	87.69	61.94
CASH ON HAND	30.93	52.14
<b>II. OTHER BANK BALANCE</b>		
FIXED DEPOSITS WITH BANKS (Refer Note 17.2)	30.76	24.00
<b>TOTAL</b>	<b>149.38</b>	<b>138.08</b>

**Note 17.1**

The transactions in special collection accounts bearing the name of the company, with designated branches of Punjab National Bank for Beer supplies, are not accounted for in the books, as the same are under the control & supervision of State Excise Authorities & company does not have any control over operations of these accounts.

**Note 17.2**

Fixed Deposits with banks are in respect of Bank Guarantee and FD for Commercial Tax Department which includes deposits of Rs. 30.76 Lacs (previous year Rs. 24.00 lacs) with maturity of more than 12 months.



**NOTE 18**  
**SHORT TERM LOAN & ADVANCES**  
(Unsecured and Considered Good)

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
LOANS & ADVANCES TO BODY CORPORATE & OTHERS	50.72	108.33
LOANS & ADVANCES TO EMPLOYEES	54.64	152.70
<b>TOTAL</b>	<b>105.36</b>	<b>262.03</b>

**NOTE 19**  
**OTHER CURRENT ASSETS**  
(Unsecured and Considered Good)

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2020	As at 31st March 2019
DEPOSITS - APPEALS	980.71	695.26
ADVANCE FOR SUPPLY OF GOODS & RENDERING OF SERVICE	251.95	50.57
BALANCES WITH GOVERNMENT & STATUTORY AUTHORITIES	156.87	70.21
PREPAID EXPENSES	147.71	72.44
<b>TOTAL</b>	<b>1537.24</b>	<b>888.48</b>

**NOTE 20**  
**REVENUE FROM OPERATIONS**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
SALE OF PRODUCTS	26757.02	34013.37
REVENUE FROM OTHER OPERATING ACTIVITIES	456.27	474.90
<b>TOTAL</b>	<b>27213.29</b>	<b>34488.27</b>

**NOTE 21**  
**OTHER INCOME**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
INTEREST INCOME	13.27	20.07
OTHER NON OPERATING INCOME (Refer Note 21.1)	42.83	49.98
PROFIT ON SALE OF FIXED ASSET	-	3.03
<b>TOTAL</b>	<b>56.10</b>	<b>73.08</b>

**Note 21.1**

Other Non-operating income includes loading & unloading income, other receipts, balances written off & insurance claims.

**NOTE 22**  
**COST OF MATERIAL CONSUMED**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
MATERIALS CONSUMED (Refer Note 22.1)	12505.75	11794.07
<b>TOTAL</b>	<b>12505.75</b>	<b>11794.07</b>

**Note 22.1**

**Particulars of material consumed**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Raw & Other Materials	3566.50	3487.12
Packing Material	8939.24	8306.96
<b>Total</b>	<b>12505.75</b>	<b>11794.07</b>

**NOTE 23**  
**CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>INVENTORIES (OPENING)</b>		
FINISHED GOODS	1075.84	950.93
STOCK-IN-PROCESS	235.10	288.82
<b>INVENTORIES (CLOSING)</b>		
FINISHED GOODS	2304.14	1075.84
STOCK-IN-PROCESS	306.94	235.18
<b>TOTAL</b>	<b>(1299.67)</b>	<b>(79.27)</b>



**NOTE 24**  
**EMPLOYEE BENEFITS EXPENSE**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
SALARY & WAGES	916.74	835.11
CONTRIBUTION TO PROVIDENT AND OTHER FUNDS (Refer Note 24.1)	83.27	40.27
STAFF WELFARE EXPENSES	22.09	27.14
<b>TOTAL</b>	<b>1022.10</b>	<b>902.52</b>

**Note 24.1**

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

**A) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:-

	31st March 2020	31st March 2019
	For the Year ended Rs. 33.03 Lacs	For the Year ended Rs. 23.79 Lacs
Employer's Contribution to Provident Fund		

**B) Defined Benefit Plan**

i) The obligation of leave encashment is recognized, provided and paid on yearly basis.

ii) The Company has taken Group Gratuity Policy of LIC of India. The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**I. Reconciliation of opening and closing balances of obligation**

	₹ in Lacs	
	31st March 2020	31st March 2019
Liability at the beginning of the year	55.04	47.63
Current Service Cost	10.50	9.78
Interest Cost	4.28	3.75
Past Service Cost	0.00	0.00
Benefits paid	(4.26)	(1.77)
Actuarial (gain)/ Loss on obligations	28.21	(4.35)
Liability at the end of the year	93.77	55.04

**II. Reconciliation of opening and closing balances of fair value of plan assets**

	31st March 2020	31st March 2019
	Fair value of plan assets at the beginning of the year	47.06
Expected return on plan assets	3.66	3.63
Contribution by the employer	8.58	0.00
Benefits paid	(4.26)	(1.77)
Actuarial (gain)/Loss	0.73	0.86
Fair value of plan assets at the end of the year	54.32	47.06

**III. BALANCE SHEET RECONCILIATION**

	31st March 2020	31st March 2019
	Opening Net Liability	7.98
Expenses recognised in Statement of Profit & Loss	40.05	6.41
Employer's Contribution	-8.58	-
Net Liability / (Asset) Recognised in the Balance Sheet	39.45	7.98

**IV. Expenses recognized in Profit & Loss Account**

	31st March 2020	31st March 2019
	Current Service Cost	10.50
Interest Cost	0.62	0.12
Past service Cost	0.00	0.00
Actuarial (gain)/loss	28.94	(3.49)
Total Expenses included in employee cost	40.05	6.41

**V. Principal actuarial assumptions**

Discount rate	7.78%	7.87%
Expected rate of return on plan of assets	7.78%	7.87%
Salary increment rate	8.00%	8.00%
Rate of Employee Turnover	2.00%	2.00%
Investment with insurer	100%	100%



**NOTE 25  
FINANCE COST**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
INTEREST EXPENSE	426.06	405.58
OTHER BORROWING COSTS	34.21	16.52
<b>TOTAL</b>	<b>460.27</b>	<b>422.10</b>

**NOTE 26  
OTHER EXPENSE**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>MANUFACTURING EXPENSES</b>		
CONSUMPTION OF STORES AND SPARE PARTS	822.93	1139.64
POWER & FUEL	1083.35	1086.66
REPAIRS TO MACHINERY	61.77	107.78
BRAND OWNER ENTITLEMENT	2121.47	3552.63
BOTTLING FEES	2800.93	3162.40
BOTTLING CHARGES	383.57	290.80
OTHER MANUFACTURING EXPENSES	414.55	328.73
EXCISE DUTY	2051.54	5610.07
LOSS ON SALE OF FIXED ASSET	6.03	0.00
<b>ADMINISTRATION EXPENSES</b>		
INSURANCE	27.28	14.62
SELLING & DISTRIBUTION EXPENSES	1149.54	1550.99
RENT	50.99	48.31
PAYMENT TO AUDITOR (Refer Note 26.1)	5.00	5.00
RATES & TAXES	937.93	2092.14
BAD DEBITS	0.00	30.65
PRIOR PERIOD EXPENSES (NET)	11.55	1.48
OTHER SELLING & ADMINISTRATION EXPENSES	877.68	467.63
<b>TOTAL</b>	<b>12806.12</b>	<b>19489.53</b>

**Note 26.1**

**Payment to Auditor as:**

(a) Auditors Remuneration	5.00	5.00
(b) For Reimbursement of Expenses	0.00	0.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

**Note 27**

**CORPORATE SOCIAL RESPONSIBILITY**

Year	₹ in Lacs		
	CSR Amount	Spent	UnSpent
2017-18	8.56	0.84	7.72
2018-19	7.46	-	7.46
2019-20	12.51	9.72	2.79

**NOTE 28  
CONTINGENT LIABILITIES AND COMMITMENTS**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>Contingent Liabilities</b>		
(A) Guarantees	118.66	118.66
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
<b>Commitments</b>		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for	140.42	36.06
(B) Dues		
Income Tax (Refer Note 28.1)	2058.27	0.00
MP Excise Duty	110.76	118.43
Central Sales Tax	12.96	12.96
Service Tax	2040.73	2040.73

**Note 28.1**

During the year, the company had received the income tax assessment orders under Section 153A of the Income Tax Act 1961 for the assessment years 2012-13 to 2017-18 in respect of a search carried out u/s Section 132 of the Income Tax Act 1961 in the financial year 2017-18 and the Income Tax assessment order u/s 143(3) for the assessment year 2018-19. The Income tax department has raised a total tax demand including interest thereon amounting to Rs. 2058.27 Lakhs, on account of certain additions under Section 68 & 69C read with Section 115BBE of the Income Tax Act against which a sum of Rs. 285.96 Lakhs has been deposited during the year for the stay of demand. The company has contested the demand of the department in an appellate authority and the matter is pending adjudication.

**NOTE 29  
EARNING PER SHARE**

Particulars	For the Year ended	
	31st March 2020	31st March 2019
Face Value per Share (in Rs.)	10.00	10.00
a Weighted average number of Equity Shares	20611027	20611027
1 Number of Equity Shares at the beginning of the year	20611027	20611027
2 Number of Equity Shares at the end of the year	20611027	20611027
3 Weighted average number of Equity Shares outstanding during the year (on annualized basis)	20611027	20611027
b Net Profit after tax available for Equity Share holders (in Rs. Lacs)	832.69	894.16
c Net Profit after tax available for Equity Share holders (in Rs. Lacs) (excluding Extra Ordinary Item)	832.69	894.16
d Basic and diluted Equity per share (in Rs.) annualized (excluding Extra Ordinary Item)	4.04	4.34



**NOTE 30  
RELATED PARTY DISCLOSURE**

A List of Related Parties where control exists and related parties with whom transactions have taken place.

Name of Related Party	Relationship
Mr. Gopal Agarwal	Director
Mr. Ranjan Tiberwal	Director
Mr. Santveer Tulsian	Director
Mr. Pravendra Pal	Company Secretary
Mr. Rohit Sinol	Chief Financial Officer
Novelty Realtors Pvt. Ltd.	Significant influence by virtue of holding more than 20% equity shares
Mr. Anand Kumar Kedia	KMP as per AS 18
Mr. Prasan Kumar Kedia	KMP as per AS 18
Mrs. Ram Dulai Kedia	Relative of KMP
Mrs. Sanolita Kedia	Relative of KMP
Mrs. Shweta Kedia	Relative of KMP
Mr. Anshuman Kedia	Relative of KMP
Mr. Vedant Kedia	Relative of KMP

B Related party transaction

Particulars	(₹ in Lacs)			
	2019-20		2018-19	
	Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
Remuneration	122.74	96.57	134.57	94.00
Rent Expenses	-	7.20	-	6.60
Interest Paid	-	-	6.14	-
Loan Given	3.21	1.87	283.00	55.00
Advance taken against property	-	-	220.00	-

Summary of Outstanding balances with the related parties

Particulars	As at 31st March 2020		As at 31st March 2019	
	Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
Balances Receivable	6.52	24.31	112.27	35.78

**NOTE 31  
SEGMENT REPORTING**

The Company has identified primarily reportable segment viz. Beer segment same has been identified and reported taking into account nature of product and service, the differing risks and returns and the internal business reporting systems.

The company is not having more than one business segment so segment information as per AS 17 is not required.





**Independent Auditor's Report**

**To the Members of Mount Everest Breweries Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Mount Everest Breweries Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of profit and loss and the cash flow statement and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statement").

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, for example Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report etc., but does not include the Financial Statements and our auditors' report thereon.

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 Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.



## **Responsibilities of Management and those charged with governance for the Financial Statements**

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 Statements that give a true and fair view of the financial position, financial performance, and cash flows in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statements, 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.

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

## **Auditors' Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Statements.

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 Statements, 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 Companies Act, 2013, 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 statements 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; and

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 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 Statements 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**

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in the annexure referred to in the paragraph above, 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, the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h. 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, as amended, 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 statements as stated in Note 28 to the financial statement;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C



(Nilesh Kumar Jain)

Partner

Membership No. 418488

UDIN: 21418488AAAAAI9628



Place: Indore

Dated: 2<sup>nd</sup> September 2021

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to our report of even date to the members of **Mount Everest Breweries Limited** as at and for the year ended March 31, 2021:

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As explained to us, fixed assets have been physically verified during the year by the management based on a phased manner and no material discrepancies have been noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. As informed to us, the inventories of the Company except for materials in transit and finished goods lying with third parties have been physically verified by the management at the reasonable intervals. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. The Company has not granted any loans secured or unsecured to companies, firms or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has not given any loans or provided any guarantees or securities to parties covered under section 185 of the Companies Act, 2013. Further as per the information and explanations given to us, provision of section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made and guarantees & securities given have been complied with by the Company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. To the best of our knowledge and according to information and explanations given to us, the Government has not specified maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of company's product.
- vii. (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in depositing the same in a few cases. According to information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other statutory dues were



outstanding at the year end, for a period of more than six months from the date they become payable except for the GST amounting to Rs. 10,200/-.

- (b) According to the information and explanation given to us, the dues of sales tax, income tax, duty of customs, goods & service tax duty of excise, service tax and value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending as on 31<sup>st</sup> March, 2021 are as under :-

Sr. No.	Name of the Statute	Nature of Case	Amount (Rs. In Lakh)	Period to which Amount Relates	Forum at which case is pending
1	The Madhya Pradesh Excise Act, 1915	Excise Duty Demand	96.88	2009-11	MP High Court
			13.89	2011-17	State Excise Commissioner
2	The Central sales tax Act, 1956	Central Sales Tax Demand	6.20	2015-16	MPCT Apellate Board, Indore Bench
3	Service Tax	Service Tax Demand	4081.46	2009-12	CESTAT, New Delhi
4	Service Tax	Service Tax Demand	156.57	2015-17	Commissioner (Appeals) Customs, CGST & central Excise, Indore
5	Service Tax	Input Credit claim	30.10	2015-17	Commissioner (Appeals) Customs, CGST & central Excise, Indore
6	Income Tax Act, 1961	Income Tax Demand	1140.52	2012-18	Income Tax Appellate Tribunal bench at Indore
7	MP Value Added Tax	VAT Demand	6.76	2016-17	MPCT Apellate Board, Indore Bench

- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to banks. Based on our audit procedures and as per the information and explanations given by the management, the Company did not have any outstanding dues to a financial institution or government or due to debentures holders.
- ix. According to our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. Based on the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer and debt instruments.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the company or material fraud on the company by the officers and employees of the company has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.



- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the 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 statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and on overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and consequently the reporting requirements under clause 3 (xiv) are not applicable to the company and not commented upon.
- 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 non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

For Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C



A handwritten signature in blue ink, appearing to read "Nilesh".

(Nilesh Kumar Jain)  
Partner

Membership No. 418488

UDIN: 21418488AAAAAI9628

Place: Indore

Dated: 2<sup>nd</sup> September 2021

## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 Mount Everest Breweries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements 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. 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **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.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, 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 March 31, 2021, 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 Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C**



**(Nilesh Kumar Jain)**

**Partner**

**Membership No. 418488**

**UDIN: 21418488AAAAAI9628**



**Place: Indore**

**Dated: 2<sup>nd</sup> September 2021**

## MOUNT EVEREST BREWERIES LTD.

Notes forming part of the Balance Sheet as at 31st March, 2021 and Profit & Loss Account for the year ended on 31st March, 2021.

### 1. Corporate Information

Mount Everest Breweries Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (now Companies Act, 2013). The Company is engaged primarily in the manufacture and sale of beer. The Company has manufacturing facilities in India.

### 2. Basis of Preparation of Financial Statements:

The company adopts the mercantile system of Accounting and recognizes, Income and expenditure on accrual basis except where stated specifically. The financial statements have been prepared by following a going concern approach and are in conformity with the statutory provisions, accounting standards notified under Section 129 & 133 of the Companies Act, 2013 and the relevant provisions thereof and generally accepted practices prevailing in India except as otherwise stated.

#### 2.1 Estimation of uncertainties relating to the global health pandemic from COVID-19

The spread of COVID-19 pandemic has impacted the regular business operations of the company post lock-down from March 24, 2020, which includes suspension of production facilities, disruptions in supply chain & adopting work from home policies across the locations. The volumes for the month April'2020 to June'2020 were impacted substantially. The management has considered various internal and external sources of information up to the date of approval of its annual financial statements by the Board of Directors in determining the impact of pandemic on the various elements of financial statements. The management has used the principles of prudence in applying judgments, estimates & assumptions and based on the current estimates and expects to fully recover the carrying amount of various non-current & current assets. Further Considering the uncertainties involved, the eventual outcome of impact of the pandemic may be different from those estimated as on the date of approval of annual financial statements. The Company will continue to closely monitor any material changes in future economic conditions. The Company's operations and financial results for the first quarter were adversely impacted by the outbreak of COVID-19 pandemic and its production facilities at Simrol, Indore were under shutdown for a significant part of the quarter and subsequently it has achieved its normal volume of activities. In view of the impact of pandemic, the results for the year ended 31st March, 2021 are, therefore, not comparable with those of the comparative year ended 31st March, 2020. The Company has also considered the possible effects that may result from the pandemic relating to COVID-19 on the



carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. The company has performed sensitivity analysis on the assumptions used and expects to recover the carrying amount of these assets.

## 2.2 Summary of Significant Accounting Policies

### (a) Property, Plant & Equipment's:

Property, plant and equipment, capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term projects, if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on fixed assets is calculated on a straight-line method ("SLM") basis using the useful lives estimated by the management. For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as estimated by the management. The Company has used the following useful lives to provide depreciation on its fixed assets:

Particular	Useful Life (in Years)
Factory Buildings	30
Plant & Equipment	15*
Computers	3
Office Equipment	5
Furniture & Fittings	10
Vehicles	8

\*In respect of assets used at any time during the year on double shift or triple shift basis, the depreciation for that period is increased by 50% or 100%, respectively.

In respect of following assets, not included above, the useful lives estimated by the management, basis technical assessment, are different from those indicated in Schedule II to the Companies Act, 2013:

- (i) RO Membranes & Carbo Blender (both included in Plant & Equipment) are depreciated on a straight-line basis over a period of 3 years being useful life, as estimated by the management considering nature of these assets.



- (ii) Assets individually costing Rs. 5,000 or less are depreciated on a straight-line basis over a period of 1 year being useful life, as estimated by the management considering such assets do not have enduring benefits.

**(b) Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

A summary of amortization policies applied to the Company's intangible assets is as below:

Computer Software	3 Years
-------------------	---------

**(c) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior years is reversed if there has been a change in the estimate of recoverable amount.

**(d) Lease Assets:**

Leases where the lessor effectively retain substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a Straight-line basis over the lease term. Lease income is recognized in the Profit and Loss Account on an accrual basis.

**(e) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.



(f) **Investments :**

Current investments are carried at lower of cost and quoted/fair value, computed category wise, Long Term Investments are stated at cost. Provisions for diminution in the value of the long-term investments is made only if such a decline is other than temporary.

(g) **Inventories:**

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis for all inventories except for by products and scrap materials which are valued at net realizable value.

(h) **Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Products**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer usually on dispatch of the goods from brewery/warehouses. Gross turnover excludes GST,VAT and CST.

**Revenue from rendering of Services**

Revenue from rendering of services is recognized on pro-rata basis over the period of contract and when the performance of agreed contractual task has been completed.

**Interest**

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(i) **Bottling Business:**

The company is having arrangement for manufacturing of the products of certain brand owners on fixed charge basis. In view of state excise laws, these transactions have taken place in the name of the company and accordingly accounted for in the books of accounts of the company notwithstanding the risks and rewards being with respective brand owners.



**(j) Employee Benefits:**

- (i) The company's contribution to Provident Fund and Employees State Insurance Scheme are charged to profit & loss account.
- (ii) Short-term employee benefits are recognized as an expense at the un-discounted amount in the profit and loss account of the year in which the related service is rendered.
- (iii) Post employment and other long-term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the profit and loss account.
- (iv) Encashment of leave is recognized and provided on yearly basis. There is accumulation of leave encashment and same are paid upon accumulation at year end of the accumulated leaves in excess of 90 days or upon cessation of employment.

**(k) Earning Per Share:**

The earning considered in ascertaining the company's earning per share (EPS) comprise of the net profit after tax. The number of shares used in computing diluted EPS comprise of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares.

**(l) Foreign Currency Transaction:**

- (i) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.
- (ii) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable as on that date.
- (iii) Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at transaction cost.
- (iv) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.



**(m) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. .

**(n) Income Taxes:**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date.

The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.



Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



**MOUNT EVEREST BREWERIES LIMITED**  
**CIN No.U15549MP1999PLC049379**  
**BALANCE SHEET as at 31st March, 2021**

PARTICULARS	NOTE NO.	As at	
		31st March 2021	31st March 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDER'S FUNDS</b>			
SHARE CAPITAL	3		
RESERVES & SURPLUS	4	2,061.10	2,061.10
<b>2. NON-CURRENT LIABILITIES</b>			
LONG TERM BORROWINGS	5	6,032.17	5,789.23
DEFERRED TAX LIABILITIES (NET)	6	997.65	1,750.65
<b>3. CURRENT LIABILITIES</b>			
SHORT TERM BORROWINGS	7	839.32	742.96
TRADE PAYABLES	8	4,573.44	4,117.67
-TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES; AND			
		28.21	128.29
-TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES			
OTHER CURRENT LIABILITIES	9	5,084.73	3,449.73
SHORT TERM PROVISIONS	10	2,627.38	2,963.03
		65.37	163.83
<b>TOTAL</b>		<b>22,309.37</b>	<b>21,166.50</b>
<b>II. ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
<b>FIXED ASSETS</b>			
TANGIBLE ASSETS	11		
CAPITAL WORK-IN-PROGRESS	11	9,529.63	9,079.94
INTANGIBLE ASSETS	12	154.49	1,100.39
		0.01	0.01
LONG TERM LOANS & ADVANCES	13	278.11	143.94
<b>2. CURRENT ASSETS</b>			
INVENTORIES	14		
TRADE RECEIVABLES	15	5,834.44	5,481.80
CASH AND BANK BALANCES	16	4,926.93	3,568.44
SHORT TERM LOANS AND ADVANCES	17	128.32	149.38
OTHER CURRENT ASSETS	18	101.85000	105.36
		1,355.59	1,537.24
<b>TOTAL</b>		<b>22,309.37</b>	<b>21,166.50</b>

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

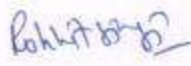
  
**(Nilesh Kumar Jain)**  
PARTNER  
M.NO.- 418488  
FRN: 016939C




For and on behalf of the Board of Directors

  
**Gopal Agrawal**  
Whole Time Director  
DIN: 00840188

  
**Ranjan Tiberwal**  
Director  
DIN: 01786410

  
**Rohit Singi**  
Chief Financial Officer

  
**Pravendra Kumar Pal**  
Company Secretary

Place : Indore  
Date : 2nd September, 2021



**MOUNT EVEREST BREWERIES LIMITED**  
**CIN No.U15549MP1999PLC049379**  
**STATEMENT OF PROFIT & LOSS for the year ended on 31st March, 2021**

PARTICULARS	NOTE NO.	(₹ in Lacs)	
		For the Year ended 31st March 2021	For the Year ended 31st March 2020
<b>INCOME</b>			
I. REVENUE FROM OPERATIONS	19		
II. OTHER INCOME	20	25,039.46	27,213.29
		45.04	56.10
III. <b>TOTAL REVENUE (I + II)</b>		<b>25,084.50</b>	<b>27,269.39</b>
<b>IV. EXPENDITURE</b>			
COST OF MATERIALS CONSUMED	21	11,950.99	12,505.75
CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS	22	(11.69)	(1,299.67)
EMPLOYEE BENEFITS EXPENSE	23	994.43	1,022.10
FINANCE COSTS	24	508.97	460.27
DEPRECIATION AND AMORTISATION EXPENSE	11 & 12	888.90	850.03
OTHER EXPENSES	25	10,333.75	12,806.12
<b>TOTAL EXPENSES</b>		<b>24,665.35</b>	<b>26,344.61</b>
V. <b>PROFIT BEFORE TAX (III - IV)</b>		<b>419.15</b>	<b>924.78</b>
VI. <b>TAX EXPENSE</b>			
1) CURRENT TAX		73.89	131.25
2) TAX FOR EARLIER PERIOD		5.95	(6.50)
3) DEFERRED TAX		96.36	(32.66)
VII. <b>PROFIT AFTER TAX (V - VI)</b>		<b>242.94</b>	<b>832.69</b>
EARNING PER EQUITY SHARE OF FACE VALUE OF Rs.10/- EACH BASIC AND DILUTED (Excluding Extra Ordinary Item)	28	1.18	4.04
BASIC AND DILUTED (Including Extra Ordinary Item)	28	1.18	4.04

Accompanying notes form an integral part of the financial statements.  
As per our report of even date.


**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

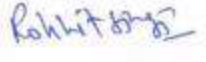
  
(Nilesh Kumar Jain)  
PARTNER  
M.NO.- 418488  
FRN: 016939C



For and on behalf of the Board of Directors

  
Gopal Agrawal  
Whole Time Director  
DIN: 00840188

  
Ranjan Tiberwal  
Director  
DIN: 01786410

  
Rohit Sing  
Chief Financial Officer

  
Pravendra Kumar Pal  
Company Secretary

Place : Indore  
Date : 2nd September, 2021



**MOUNT EVEREST BREWERIES LIMITED**  
**CIN No.U15549MP1999PLC049379**  
**CASH FLOW STATEMENT for the year ended 31st March, 2021**

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT/LOSS BEFORE TAX	419.15	924.78
Adjustments for:		
DEPRECIATION / AMORTISATION	888.90	850.03
PROFIT ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT	-	6.03
FINANCE COST	508.97	460.27
INTEREST INCOME	(4.55)	(13.27)
BAD DEBTS	-	-
PROVISION - Obsolete Stock	(4.53)	9.75
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,807.94</b>	<b>2,237.60</b>
<b>MOVEMENT IN WORKING CAPITAL</b>		
INCREASE/(DECREASE) IN TRADE PAYABLE	1,534.92	148.35
INCREASE/(DECREASE) IN OTHER CURRENT LIABILITIES & PROVISIONS	(1,119.91)	(230.82)
(INCREASE)/DECREASE IN TRADE RECEIVABLES	(1,358.49)	920.26
(INCREASE)/DECREASE IN INVENTORIES	(348.11)	(2,578.61)
(INCREASE)/DECREASE IN LOANS, ADVANCES & OTHER CURRENT ASSETS	211.06	(245.45)
<b>NET MOVEMENT IN WORKING CAPITAL</b>	<b>(1,080.53)</b>	<b>(1,986.26)</b>
<b>CASH GENERATED FROM OPERATIONS</b>		
DIRECT TAX PAID	727.41	251.34
NET CASH FLOW FROM OPERATIONS (A)	534.98	(253.53)
<b>B. CASH FLOW FROM INVESTMENTS</b>		
PURCHASE OF FIXED ASSETS	(671.89)	(1,413.18)
PROCEEDS FROM SALE OF FIXED ASSET	-	31.16
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	(1.89)	(6.76)
INTEREST INCOME RECEIVED	4.55	13.27
<b>NET CASH USED IN INVESTMENTS (B)</b>	<b>(669.23)</b>	<b>(1,375.51)</b>
<b>C. CASH FLOW FROM FINANCE</b>		
PROCEED FROM ISSUE OF SHARES	-	-
FINANCE COST	(505.71)	(439.07)
PROCEED/(REPAYMENT) OF LONG TERM BORROWINGS	161.26	600.33
PROCEEDS FROM SHORT TERM BORROWINGS	455.77	1,472.33
<b>NET CASH FLOW FROM FINANCE (C)</b>	<b>111.32</b>	<b>1,633.59</b>
<b>NET CASH FLOW / (OUTFLOW) (A+B+C)</b>	<b>(22.93)</b>	<b>4.55</b>
<b>CASH AND CASH EQUIVALENTS</b>		
(OPENING BALANCE)	118.62	114.07
(CLOSING BALANCE)	95.69	118.62
<b>NET INCREASE / (DECREASE) IN CASH</b>	<b>(22.93)</b>	<b>4.55</b>

- Notes :
- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of
  - The following have been considered under financing activities :- Cash credit / Working capital demand loan and other borrowings being source of finance.
  - Proceeds from borrowings are shown net of repayments.
  - Purchase of fixed assets are shown inclusive of movements in capital work - in - progress.
  - Cash and cash equivalents represent cash & bank balances other than bank balances marked lien as margin money.
  - Previous year's figures have been regrouped wherever necessary.

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

  
(Nilesh Kumar Jain)  
PARTNER

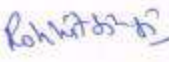
M.No. 418488  
FRN. 016939 C




For and on behalf of the Board of Directors

  
Gopal Agrawal  
Whole Time Director  
DIN: 00840188

  
Ranjan Tiberwal  
Director  
DIN: 01786410

  
Rohit Singi  
Chief Financial Officer

  
Pravendra Kumar Pal  
Company Secretary

Place : Indore  
Date : 2nd September, 2021



**MOUNT EVEREST BREWERIES LIMITED**  
Notes to Financial Statements as on and for the year ended 31st March, 2021

**NOTE 3**  
**SHARE CAPITAL**

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
<b>A) AUTHORISED:</b>		
2,20,00,000 (PREVIOUS YEAR 2,20,00,000) EQUITY SHARES OF RS. 10/- EACH		
<b>TOTAL</b>	<b>2,200.00</b>	<b>2,200.00</b>
<b>B) ISSUED</b>		
2,06,11,027 (PREVIOUS YEAR 2,00,48,000 ) EQUITY SHARES OF RS.10/- EACH	2,061.10	2,061.10
<b>C) SUBSCRIBED AND FULLY PAID UP :</b>		
2,06,11,027 (PREVIOUS YEAR 2,00,48,000 ) EQUITY SHARES OF RS.10/- EACH	2,061.10	2,061.10
<b>TOTAL</b>	<b>2,061.10</b>	<b>2,061.10</b>

**Note 3.1**

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at	As at
	31st March, 2021	31st March, 2020
Equity shares at the beginning of the year	No. of Shares	No. of Shares
Equity Shares issued during the year	2,06,11,027	2,06,11,027
Equity shares at the end of the year	2,06,11,027	2,06,11,027

**Note 3.2**

The company has only one class of equity shares having par value of Rs 10 each. Each holder of equity share is entitled to one vote per share.

**Note 3.3**

Details of shares in the company held by each shareholder holding more than 5% shares

Sr. No	Name of Shareholder	31st March, 2021		31st March, 2020	
		No. of Equity Shares	% of total subscribed and fully paid up shares	No. of Equity Shares	% of total subscribed and fully paid up shares
1	Novelty Realtors Pvt. Ltd.				
2	Moriya Merchandise Pvt. Ltd.	44,63,027	21.65%	44,63,027	21.65%
3	Eagle Agencies Pvt. Ltd.	32,33,409	15.69%	32,33,409	15.69%
4	Millennium Urja Ltd.	23,40,135	11.35%	23,40,135	11.35%
5	Smilington Holdings Pvt. Ltd.	21,36,000	10.36%	21,36,000	10.36%
6	Accord Vanijya Pvt. Ltd.	12,12,900	5.88%	12,12,900	5.88%
		11,31,406	5.49%	11,31,406	5.49%

**NOTE 4**

**RESERVE & SURPLUS**

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
<b>A) SECURITIES PREMIUM RESERVE</b>		
	2,342.03	2,342.03
<b>B) GENERAL RESERVE</b>		
Opening Balance		
Add: Transferred from surplus	249.64	229.64
	20.00	20.00
	269.64	249.64
<b>C) RETAINED EARNINGS</b>		
Opening Balance		
Add: Profit for the year transferred from Statement of Profit & Loss	3,197.56	2,384.88
Amount available for appropriation	242.94	832.69
Appropriations:	3,440.49	3,217.56
Less: Amount transferred to General Reserve	20.00	20.00
<b>TOTAL</b>	<b>6,032.17</b>	<b>5,789.23</b>



**NOTE 5  
LONG TERM BORROWINGS**

PARTICULARS	(₹ in Lacs)			
	As at		As at	
	31st March 2021 NON CURRENT	31st March 2021 CURRENT	31st March 2020 NON CURRENT	31st March 2020 CURRENT
TERM LOANS FROM BANKS (Secured) (Refer Note 5.1 & Note 5.2)	997.65	966.04	1,091.55	660.88
LOANS FROM BODY CORPORATES (Unsecured) (Refer Note 5.3)	-	609.10	659.10	-
<b>TOTAL</b>	<b>997.65</b>	<b>1,575.14</b>	<b>1,750.65</b>	<b>660.88</b>

**Note 5.1**

Details of Loan Taken from Bank

PARTICULARS OF LOAN	(₹ in Lacs)			
	As at		As at	
	31st March 2021 NON CURRENT	31st March 2021 CURRENT	31st March 2020 NON CURRENT	31st March 2020 CURRENT
Term Loan From HDFC Bank (Repayable in 21 quarterly instalments, last instalment falling due in Feb. 2022. Interest Rate as at 31.03.2021 - 9.10%)	-	466.32	220.00	400.00
Term Loan From HDFC Bank (Repayable in 15 quarterly instalments, last instalment falling due in Aug. 2021. Interest Rate as at 31.03.2021 - 8.80%)	-	224.82	108.32	196.95
Term Loan From HDFC Bank (Repayable in 15 quarterly instalments, last instalment falling due in Dec. 2025. Interest Rate as at 31.03.2021 - 8.35%)	585.82	150.00	712.50	37.50
Term Loan From Kotak Mahindra Bank (Repayable in 60 Monthly instalments, last instalment falling due in Sept. 2025. Interest Rate as at 31.03.2021 - 8.00%)	378.00	108.00	-	-
Vehicle Loan From HDFC Bank-65408089 (Repayable in 60 monthly instalments, last instalment falling due in Feb. 2024. Interest Rate - 9.70% fixed)	3.74	1.60	5.33	1.46
Vehicle Loan From HDFC Bank-65406653 (Repayable in 60 monthly instalments, last instalment falling due in Feb. 2024. Interest Rate - 9.70% fixed)	2.51	1.20	3.71	1.10
Vehicle Loan From HDFC Bank-65644889 (Repayable in 60 monthly instalments, last instalment falling due in Feb. 2024. Interest Rate - 8.90% fixed)	27.52	11.90	39.42	10.98
Vehicle Loan From Kotak Mahindra -15657340 (Repayable in 37 monthly instalments, last instalment falling due in Apr. 2021. Interest Rate - 8.53% fixed)	-	0.57	0.57	6.49
Vehicle Loan From Kotak Mahindra -15924849 (Repayable in 37 monthly instalments, last instalment falling due in Jun. 2021. Interest Rate - 9.05% fixed)	0.06	1.64	1.70	6.41
<b>TOTAL</b>	<b>997.65</b>	<b>966.04</b>	<b>1,091.55</b>	<b>660.88</b>

**Note 5.2**

a) Term loan includes Rs.50.74 Lacs (previous year Rs. 77.17 Lacs) as car loan, loan repayable on monthly basis, secured by hypothecation on assets acquired.

b) Financial assistance of Rs.1,426.96 Lacs (previous year Rs.1,675.27 Lacs) as term loan, loan repayable on quarterly basis, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company and also personal guarantee of certain KMP's of the Company.

c) Financial assistance of Rs.486.00 Lacs (previous year Rs.Nil Lacs) as term loan, loan repayable on monthly basis, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company and also personal guarantee of certain KMP's of the Company.

**Note 5.3**

a) Financial assistance of Rs. 609.10 Lacs (previous year Rs.659.10) from various corporate entities, repayable within 1 year and are unsecured in nature and carries rate of interest @ 9.25% p.a.

**NOTE 6  
DEFERRED TAX LIABILITY (NET)**

PARTICULARS	As at	As at
	31st March 2021	31st March 2020
<b>DEFERRED TAX LIABILITY</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	859.31	761.15
	<u>859.31</u>	<u>761.15</u>
<b>LESS: DEFERRED TAX ASSETS</b>		
Provision for Gratuity	13.09	10.97
Provision for Leave Encashment	6.90	7.22
	<u>19.99</u>	<u>18.19</u>
<b>DEFERRED TAX LIABILITIES (NET)</b>	<b>839.32</b>	<b>742.96</b>



**NOTE 7  
SHORT TERM BORROWINGS**

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
<b>SECURED BORROWINGS</b>		
FROM BANKS (Refer Note No. 7.1 & 7.2)	3,166.98	2,708.96
<b>UNSECURED BORROWING</b>		
FROM BODY CORPORATES (Refer Note No. 7.3)	1,406.46	1,408.72
<b>TOTAL</b>	<b>4,573.44</b>	<b>4,117.67</b>

**Note 7.1**

Financial assistance of Rs. 3,166.98 Lacs (previous year Rs. 2,708.96 Lacs) as cash credit facility, repayable on demand, secured by first charge by way of hypothecation of inventory and book debts and second charge by way of hypothecation of movable and mortgage of immovable on entire present and future net block. These loans are further secured by the personal guarantee of some of the employees of the company.

**Note 7.2**

Financial assistance of Rs. 1,000 Lacs (previous year Rs. 1,000 Lacs) as working capital facility, repayable at 90 days. The working capital facility are further secured by the personal guarantee of some of the employees of the company.

**Note 7.3**

Financial assistance of Rs. 1,406.46 Lacs (previous year Rs. 1,408.72 Lacs) from various corporate entities, repayable on demand and are unsecured in nature and carries rate of interest @ 9.25% p.a.

**NOTE 8  
TRADE PAYABLES**

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
-Total outstanding dues of micro enterprises and small enterprises; and (Refer Note 8.1)	28.21	128.29
-Total outstanding dues of creditors other than micro enterprises and small enterprises	5,084.73	3,449.73
<b>TOTAL</b>	<b>5,112.94</b>	<b>3,578.02</b>

**Note 8.1**

The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Principal & Interest amount remaining unpaid but not due as at year end	28.21	128.29
Interest paid by the Company in terms of Section 10 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid as at year end	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**NOTE 9  
OTHER CURRENT LIABILITIES**

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
CURRENT MATURITIES OF LONG TERM DEBT (Refer Note 5)	1,575.14	660.88
CREDITORS FOR CAPITAL EXPENDITURE	38.68	157.80
INTEREST ACCRUED BUT NOT DUE ON BORROWINGS	15.20	18.46
STATUTORY DUES PAYABLE	145.50	128.28
ADVANCES RECEIVED FROM CUSTOMERS	0.86	7.35
EMPLOYEE RELATED DUES	71.06	69.30
OTHER PAYABLES (Refer Note 9.1)	780.94	1,920.96
<b>TOTAL</b>	<b>2,627.38</b>	<b>2,963.03</b>

**Note 9.1**

Others Payables include financial assistance from United Breweries Limited for working capital requirement under the agreement.

**NOTE 10  
SHORT TERM PROVISIONS**

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
PROVISIONS FOR EMPLOYEE BENEFITS	47.05	39.45
PROVISION FOR TAXATION (NET OF ADVANCE)	18.32	124.38
<b>TOTAL</b>	<b>65.37</b>	<b>163.83</b>



**NOTE 11**  
**TANGIBLE ASSETS**

NAME OF THE ASSETS	GROSS BLOCK				DEPRECIATION				NET BOOK VALUE	
	AS ON 01.04.2020	ADDITION DURING THE YEAR	SALES/TRANS. DURING THE YEAR	AS ON 31.03.2021	UP TO 01.04.2020	DURING THE YEAR	WRITTEN BACK	UP TO 31.03.2021	AS ON 31.03.2021	AS ON 31.03.2020
LAND	325.71	-	-	325.71	-	-	-	-	325.71	325.71
BUILDING	3,230.94	25.31	-	3,256.26	650.79	111.60	-	762.39	2,493.86	2,580.15
PLANT & MACHINERY	9,870.96	1,307.76	-	11,178.72	3,926.05	731.55	-	4,657.61	6,521.11	5,944.91
VEHICLE	306.30	-	-	306.30	138.40	29.50	-	167.89	138.41	167.90
OFFICE EQUIPMENTS	28.65	(0.00)	-	28.65	8.58	5.35	-	13.93	14.72	20.07
FURNITURE & FIXTURE	37.43	0.70	-	38.13	13.00	3.03	-	16.03	22.10	24.43
COMPUTERS	34.11	4.83	-	38.94	17.35	7.87	-	25.22	13.72	16.76
<b>TOTAL</b>	<b>13,834.11</b>	<b>1,338.60</b>	-	<b>15,172.71</b>	<b>4,754.17</b>	<b>888.90</b>	-	<b>5,643.07</b>	<b>9,529.63</b>	<b>9,079.94</b>
WORK IN PROGRESS	1,100.39	387.17	-	1,544.99	-	-	-	-	1,544.99	1,100.39
<b>TOTAL</b>	<b>1,100.39</b>	<b>387.17</b>	-	<b>1,544.99</b>	-	-	-	-	<b>1,544.99</b>	<b>1,100.39</b>
<b>TOTAL</b>	<b>14,934.50</b>	<b>1,725.77</b>	-	<b>15,327.19</b>	<b>4,754.17</b>	<b>888.90</b>	-	<b>5,643.07</b>	<b>9,684.12</b>	<b>10,180.33</b>
PREVIOUS YEAR	-	-	-	-	-	-	-	-	-	-

(₹ In Lacs)

**NOTE 12**  
**INTANGIBLE ASSETS**

NAME OF THE ASSETS	COST	ADDITION DURING THE YEAR	SALES/TRANS. DURING THE YEAR	DEPRECIATION				NET BOOK VALUE		
				AS ON 01.04.2020	UP TO 01.04.2020	DURING THE YEAR	WRITTEN BACK	UP TO 31.03.2021	AS ON 31.03.2021	AS ON 31.03.2020
COMPUTER SOFTWARE	0.30	-	-	0.30	0.29	-	-	0.29	0.01	0.01
<b>TOTAL</b>	<b>0.30</b>	-	-	<b>0.30</b>	<b>0.29</b>	-	-	<b>0.29</b>	<b>0.01</b>	<b>0.01</b>

(₹ In Lacs)



**NOTE 13**  
**LONG TERM LOANS & ADVANCES**  
(Unsecured and Considered Good)

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2021	As at 31st March 2020
CAPITAL ADVANCES	194.83	34.76
SECURITY DEPOSIT	83.28	109.18
<b>TOTAL</b>	<b>278.11</b>	<b>143.94</b>

**NOTE 14**  
**INVENTORIES**

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2021	As at 31st March 2020
(At Lower of Cost or Net Realisable Value)		
RAW MATERIAL	604.83	698.42
STOCK IN PROCESS	300.00	306.54
FINISHED GOODS	2,322.37	2,304.14
STORES & SPARES	462.60	472.12
PACKAGING MATERIAL (net of Obsolescence)	2,144.64	1,700.58
<b>TOTAL</b>	<b>5,834.44</b>	<b>5,481.80</b>

**NOTE 15**  
**TRADE RECEIVABLES**  
(Unsecured and Considered Good)

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2021	As at 31st March 2020
OVER SIX MONTHS	110.02	98.11
OTHERS	4,816.91	3,470.33
<b>TOTAL</b>	<b>4,926.93</b>	<b>3,568.44</b>

**NOTE 16**  
**CASH & BANK BALANCES**

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2021	As at 31st March 2020
<b>I. CASH &amp; BANK BALANCE</b>		
BALANCE WITH BANKS (Refer Note 16.1)	59.20	87.69
CASH ON HAND	36.48	30.93
<b>II. OTHER BANK BALANCE</b>		
FIXED DEPOSITS WITH BANKS (Refer Note 16.2)	32.64	30.76
<b>TOTAL</b>	<b>128.32</b>	<b>149.38</b>

**Note 16.1**

The transactions in special collection accounts bearing the name of the company, with designated branches of Punjab National Bank for Beer supplies, were not accounted for in the books, as the same are under the control & supervision of State Excise Authorities & company does not have any control over operations of these accounts. Further, these collections accounts were closed by the bank during the month of December 2020/January 2021 as per RBI Circular dated 6th August 2020 "Opening of Current Accounts by Bank - need for discipline" for the maintenance of the current account only in the lending banks.

**Note 16.2**

Fixed Deposits with banks are in respect of Bank Guarantee and FD for Commercial Tax Department which includes deposits of Rs. 19.51 Lacs (previous year Rs. 30.76 Lacs) with maturity of more than 12 months.



**NOTE 17**  
**SHORT TERM LOAN & ADVANCES**  
(Unsecured and Considered Good)

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
LOANS & ADVANCES TO BODY CORPORATE & OTHERS	50.72	50.72
LOANS & ADVANCES TO EMPLOYEES	51.13	54.64
<b>TOTAL</b>	<b>101.85</b>	<b>105.36</b>

**NOTE 18**  
**OTHER CURRENT ASSETS**  
(Unsecured and Considered Good)

PARTICULARS	₹ in Lacs	
	As at 31st March 2021	As at 31st March 2020
DEPOSITS - APPEALS	982.92	980.71
ADVANCE FOR SUPPLY OF GOODS & RENDERING OF SERVICE	67.93	251.95
BALANCES WITH GOVERNMENT & STATUTORY AUTHORITIES	179.78	156.87
PREPAID EXPENSES	123.46	147.71
Insurance Claim Receivable	1.50	-
<b>TOTAL</b>	<b>1,355.59</b>	<b>1,537.24</b>

**NOTE 19**  
**REVENUE FROM OPERATIONS**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
SALE OF PRODUCTS	24,710.09	26,757.02
REVENUE FROM OTHER OPERATING ACTIVITIES	329.37	456.27
<b>TOTAL</b>	<b>25,039.46</b>	<b>27,213.29</b>

**NOTE 20**  
**OTHER INCOME**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
INTEREST INCOME	4.55	13.27
OTHER NON-OPERATING INCOME (Refer Note 20.1)	40.49	42.83
<b>TOTAL</b>	<b>45.04</b>	<b>56.10</b>

**Note 20.1**

Other Non-operating income includes loading & unloading income, other receipts, balances written off & insurance claims.

**NOTE 21**  
**COST OF MATERIAL CONSUMED**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
MATERIALS CONSUMED (Refer Note 21.1)	11,950.99	12,505.75
<b>TOTAL</b>	<b>11,950.99</b>	<b>12,505.75</b>

**Note 21.1**

Particulars of material consumed

Particulars of material consumed	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Raw & Other Materials	3,002.76	3,566.50
Packing Material	8,948.23	8,939.25
<b>Total</b>	<b>11,950.99</b>	<b>12,505.75</b>

**NOTE 22**  
**CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
<b>INVENTORIES (OPENING)</b>		
FINISHED GOODS	2,304.14	1,075.84
STOCK-IN-PROCESS	306.54	235.18
<b>INVENTORIES (CLOSING)</b>		
FINISHED GOODS	2,322.37	2,304.14
STOCK-IN-PROCESS	300.00	306.54
<b>TOTAL</b>	<b>(11.69)</b>	<b>(1,299.67)</b>



**NOTE 23**  
**EMPLOYEE BENEFITS EXPENSE**

PARTICULARS	₹ In Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
SALARY & WAGES	924.63	916.74
CONTRIBUTION TO PROVIDENT AND OTHER FUNDS (Refer Note 23.1)	52.87	83.27
STAFF WELFARE EXPENSES	16.93	22.09
<b>TOTAL</b>	<b>994.43</b>	<b>1,022.10</b>

**Note 23.1**

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below :

**A) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:-

	31st March 2021	31st March 2020
Employer's Contribution to Provident Fund	For the Year ended Rs. 35.69 Lacs	For the Year ended Rs. 33.03 Lacs

**B) Defined Benefit Plan**

i) The obligation of leave encashment is recognized, provided and paid on yearly basis.

ii) The Company has taken Group Gratuity Policy of LIC of India. The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**I. Reconciliation of opening and closing balances of obligation**

	₹ In Lacs	
	31st March 2021	31st March 2020
Liability at the beginning of the year	93.77	55.04
Current Service Cost	19.57	10.50
Interest Cost	6.24	4.28
Past Service Cost	0.00	0.00
Benefits paid	(4.46)	(4.26)
Actuarial (gain)/ Loss on obligations	(15.35)	28.21
Liability at the end of the year	99.77	93.77

**II. Reconciliation of opening and closing balances of fair value of plan assets**

	31st March 2021	31st March 2020
Fair value of plan assets at the beginning of the year	54.32	47.06
Expected return on plan assets	3.55	3.66
Contribution by the employer	0.00	8.58
Benefits paid	(4.46)	(4.26)
Actuarial (gain)/Loss	(0.69)	(0.73)
Fair value of plan assets at the end of the year	52.72	54.32

**III. BALANCE SHEET RECONCILIATION**

	31st March 2021	31st March 2020
Opening Net Liability	39.45	7.98
Expenses recognised in Statement of Profit & Loss	7.60	40.05
Employer's Contribution	0.00	(8.58)
Net Liability / (Asset) Recognised in the Balance Sheet	47.05	39.45

**IV. Expenses recognized in Profit & Loss Account**

	31st March 2021	31st March 2020
Current Service Cost	19.57	10.50
Interest Cost	6.24	4.28
Expected return on the plan assets	(3.55)	(3.66)
Past service Cost	0.00	0.00
Actuarial (gain)/loss	(14.66)	28.94
Total Expenses included in employee cost	7.60	40.05

**V. Principal actuarial assumptions**

Discount rate	6.90%	7.78%
Expected rate of return on plan of assets	6.90%	7.78%
Salary increment rate	7.00%	8.00%
Rate of Employee Turnover	2.00%	2.00%
Investment with insurer	100%	100%



**NOTE 24  
FINANCE COST**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
INTEREST EXPENSE	494.51	426.06
OTHER BORROWING COSTS	14.46	34.21
<b>TOTAL</b>	<b>508.97</b>	<b>460.27</b>

**NOTE 25  
OTHER EXPENSE**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
<b>MANUFACTURING EXPENSES</b>		
CONSUMPTION OF STORES AND SPARE PARTS	520.60	822.93
POWER & FUEL	824.54	1,083.35
REPAIRS TO MACHINERY	102.13	61.77
BRAND OWNER ENTITLEMENT	2,194.75	2,121.47
BOTTLING FEES	2,605.73	2,800.93
BOTTLING CHARGES	384.58	383.57
OTHER MANUFACTURING EXPENSES	378.02	414.55
EXCISE DUTY	731.77	2,051.54
<b>LOSS ON SALE OF FIXED ASSET</b>	-	6.03
<b>ADMINISTRATION EXPENSES</b>		
INSURANCE	57.56	27.28
SELLING & DISTRIBUTION EXPENSES	965.87	1,149.54
RENT	55.05	50.99
PAYMENT TO AUDITOR (Refer Note 25.1)	6.00	5.00
RATES & TAXES	676.61	937.93
PRIOR PERIOD EXPENSES (NET)	0.23	11.55
OTHER SELLING & ADMINISTRATION EXPENSES	830.31	877.68
<b>TOTAL</b>	<b>10,333.75</b>	<b>12,806.12</b>

**Note 25.1**

**Payment to Auditor as:**

(a) Auditors Remuneration	6.00	5.00
(b) For Reimbursement of Expenses	-	-
<b>Total</b>	<b>6.00</b>	<b>5.00</b>

**Note 26  
CORPORATE SOCIAL RESPONSIBILITY**

Year	CSR Amount	Spent	₹ in Lacs
			UnSpent
2018-19	7.46	-	7.46
2019-20	12.51	9.72	2.79
2020-21	16.18	1.72	14.46

**NOTE 27  
CONTINGENT LIABILITIES AND COMMITMENTS**

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
<b>Contingent Liabilities</b>		
(A) Bank guarantees outstanding at the year end	117.66	118.66
<b>Commitments</b>		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for	851.48	140.42
(B) Dues		
Income Tax (Refer Note 27.1)	1,140.52	2,058.27
MP Excise Duty	110.76	110.76
Central Sales Tax	6.20	12.96
Service Tax	4,238.02	2,040.73
Value Added Tax	6.76	-

**NOTE 28  
EARNING PER SHARE**

Particulars	₹ in Lacs	
	For the Year ended 31st March 2021	For the Year ended 31st March 2020
Face Value per Share (In Rs.)	10.00	10.00
a Weighted average number of Equity Shares	2,06,11,027	2,06,11,027
1 Number of Equity Shares at the beginning of the year	2,06,11,027	2,06,11,027
2 Number of Equity Shares at the end of the year	2,06,11,027	2,06,11,027
3 Weighted average number of Equity Shares outstanding during the year (on annualized basis)	2,06,11,027	2,06,11,027
b Net Profit after tax available for Equity Share holders (In Rs. Lacs)	242.94	832.69
c Net Profit after tax available for Equity Share holders (In Rs. Lacs) (excluding Extra Ordinary Item)	242.94	832.69
d Basic and diluted Equity per share (In Rs.) annualized (excluding Extra Ordinary Item)	1.18	4.04



**NOTE 29  
RELATED PARTY DISCLOSURE**

A List of Related Parties where control exists and related parties with whom transactions have taken place.

Name of Related Party	Relationship
Mr. Gopal Agarwal	Director
Mr. Ranjan Tibenwal	Director
Mr. Sanjeev Tulswan	Director
Mr. Rohit Singh	Chief Financial Officer
Mr. Pravendra Rai	Company Secretary
Novelty Realtors Pvt. Ltd.	Significant influence by virtue of holding more than 20% equity shares
Mr. Anand Kumar Kedia	KMP as per AS 18
Mr. Prasen Kumar Kedia	KMP as per AS 18
Mrs. Ram Dulari Kedia	Relative of KMP
Mrs. Sanjita Kedia	Relative of KMP
Mrs. Shweta Kedia	Relative of KMP
Mr. Anshuman Kedia	Relative of KMP
Mr. Vedant Kedia	Relative of KMP

B Related party transaction

Particulars	(₹ in Lacs)			
	2020-21		2019-20	
	Key Management Personnels	Relative of KMP's	Key Management Personnels	Relative of KMP's
Remuneration	124.21	96.67	122.74	96.67
Rent Expenses	-	7.20	-	7.20
Interest Paid	-	-	-	-
Loan Given	-	-	3.21	1.87
Advance taken against property	-	-	-	-

Summary of Outstanding balances with the related parties

Particulars	As at 31st March 2021		As at 31st March 2020	
	Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
Balances Receivable	18.76	13.34	6.52	24.31

**NOTE 30  
SEGMENT REPORTING**

The Company has identified primarily reportable segment viz. Beer segment same has been identified and reported taking into account nature of product and service, the differing risks and returns and the internal business reporting systems.

The company is not having more than one business segment so segment information as per AS 17 is not required.





**Independent Auditor's Report**

**To the Members of Mount Everest Breweries Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Mount Everest Breweries Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, the statement of profit and loss and the cash flow statement and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statement").

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 Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, for example Corporate Overview, Key Highlights, Board's Report, Report on Corporate Governance, Management Discussion & Analysis Report etc., but does not include the Financial Statements and our auditors' report thereon.

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 Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, 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.



## **Responsibilities of Management and those charged with governance for the Financial Statements**

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 Statements that give a true and fair view of the financial position, financial performance, and cash flows in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Statements, 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.

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

## **Auditors' Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Statements.

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 Statements, 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 Companies Act, 2013, 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 statements 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; and

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 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 Statements 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**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section(11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in the annexure referred to in the paragraph above, 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, the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Companies (Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h. 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, as amended, 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 statements as stated in Note 29 to the financial statement.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There was no amount which was 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 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - b. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate



Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material misstatement.

v. No Dividend is declared or paid by the company during the year.

For Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C



(Nilesh Kumar Jain)

Partner

Membership No. 418488  
UDIN:22418488AMMYKA7653



Place: Indore  
Dated: 5<sup>th</sup> July 2022

**ANNEXURE A**  
**To the Independent Auditors' Report on**  
**Financial Statements of Mount Everest Breweries Limited**  
(Referred to our report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The Company has maintained proper records showing full particulars of Intangible assets.
- c) The Company has a program of physical verification of its property, plant and equipment in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties in the nature of land at the balance sheet date are held in the name of the Company.
- e) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- f) According to information and explanations given to us and on the basis of our examination of the records of the company, there are no proceedings 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.
- ii. a) The inventories of the Company except for materials in transit and finished goods lying with third parties have been physically verified by the management at the reasonable intervals. In our opinion and according to the information and explanations given to us, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- b) According to information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements filed by the company with the banks against sanctioned working capital loan are generally in agreement with books of accounts on overall basis except the following-



Quarter ending	Value as per books of account (Rs. in lacs)	Value as per quarterly return/statements filed with lenders (Rs. in lacs)	Difference (Rs. In lacs)	Reason for differences
<b>June 30, 2021</b>				<p>Discrepancies noticed are explained by the management as informed below:</p> <p>a) Because of provisional figures reported to banks earlier to closer of quarterly books of accounts.</p> <p>b) Other difference on account of major unadjusted advances reflecting in current liabilities submitted with the banks.</p> <p>c) Other reconciling difference is on account of inclusion of creditors for capital goods in current liabilities in the statements submitted.</p>
Current Assets	13288	15316	(2028)	
Current Liabilities	12315	15455	(3140)	
<b>September 30, 2021</b>				
Current Assets	6475	6901	(426)	
Current Liabilities	5377	5860	(483)	
<b>December 31, 2021</b>				
Current Assets	7180	9971	(2791)	
Current Liabilities	7814	10602	(2788)	
<b>March 31, 2022</b>				
Current Assets	9656	10534	(878)	
Current Liabilities	9421	8511	910	

- iii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, clause 3 (iii) (a) of the Order is not applicable to the Company. For opening loans and advances the same have been repaid during the year however no stipulated principal repayment condition was there.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments or provided any guarantee/ security or granted loans and advances on any terms prejudicial to the Company's interest. Accordingly, clause 3 (iii)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance has been granted by the company during the year, therefore no loans and advances were due for repayment as at the balance sheet date. Accordingly, clause 3 (iii)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date. Accordingly, clause 3 (iii) (d) of the Order is not applicable to the Company.
- (e) No loan or advances in the nature of loan granted by the company has fallen due during the year, hence the reporting under this clause 3 (iii) (e) is not applicable to the Company.



- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under this clause 3 (iii) (f) is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has not given any loans or provided any guarantees or securities to parties covered under section 185 of the Companies Act, 2013. Further as per the information and explanations given to us, provision of section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made, and guarantees & securities given have been complied with by the Company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi. According to information and explanations given to us, the Central Government has not prescribed the maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of company's product. Accordingly, clause 3(vi) of the order is not applicable.
- vii.a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in depositing the same in a few cases. According to information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other statutory dues were outstanding at the year end, for a period of more than six months from the date they become payable.
- (b) According to the information and explanation given to us, the dues of sales tax, income tax, duty of customs, goods & service tax, duty of excise, service tax and value added tax which have not been deposited on account of any dispute and the forum where the dispute is pending as on 31<sup>st</sup> March 2022 are as under: -

Sr. No.	Name of the Statute	Nature of Case	Amount (Rs. In Lakh)	Period to which Amount Relates	Forum at which case is pending
1	The Madhya Pradesh Excise Act, 1915	Excise Duty Demand	96.88	2009-11	MP High Court.
			13.89	2011-17	State Excise Commissioner.
2	The Central sales tax Act, 1956	Central Sales Tax Demand	6.20	2015-16	MPCT Appellate Board, Indore Bench.
3	Service Tax	Service Tax Demand	4081.46	2009-12	CESTAT, New Delhi.
4	Service Tax	Service Tax Demand	156.57	2015-17	Commissioner (Appeals) Customs, CGST & central Excise, Indore.
5	Service Tax	Input Credit claim	30.10	2015-17	Commissioner (Appeals) Customs, CGST & central Excise, Indore.
6	MP Value Added Tax	VAT Demand	6.76	2016-17	MPCT Appellate Board, Indore Bench.



- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to banks or financial institutions during the year, other loans have been repaid during the year however no stipulated principal repayment condition was there.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the term loan was utilized for the purpose for which the loan was obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short term basis have not been used during the year for long term purposes by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- e) The Company does not have any subsidiaries, associate or joint venture and accordingly reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- x. a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) According to explanation and information given to us by the management, the applicability of whistle blower complaint mechanism is not required and hence clause 3(xi)(c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.



- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) (a) & (b) of the order is not applicable to the Company.
- b. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- c. Based on the information and explanations provided by the management of the Company, the Group does not have any CIC's, which are part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not transferred the unspent amount of Rs. 9.23 lac to fund specified in Schedule VII to the Companies Act till the date of our report. However the time period for such transfer i.e. 6 months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report.



- b) The Company does not have ongoing projects under section 135 of the Companies Act. Accordingly, paragraphs 3(xx)(b) of the Order is not applicable.
- xxi. The Company is not required to prepare Consolidated Financial Statements. Accordingly, clause 3(xxi) of the Order is not applicable.

**For Nilesh Jain & Associates  
Chartered Accountants  
Firm Registration No.016939C**



**(Nilesh Kumar Jain)**

**Partner**

**Membership No. 418488**

**UDIN:22418488AMMYKA7653**

**Place: Indore**

**Dated: 5<sup>th</sup> July 2022**

## MOUNT EVEREST BREWERIES LTD.

Notes forming part of the Balance Sheet as at 31st March, 2022 and Profit & Loss Account for the year ended on 31st March, 2022.

### 1. Corporate Information.

Mount Everest Breweries Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (now Companies Act, 2013). The Company is engaged primarily in the manufacture and sale of beer. The Company has manufacturing facilities in India.

### 2. Basis of Preparation of Financial Statements:

- (a) The company adopts the mercantile system of accounting and recognizes, Income and expenditure on accrual basis except where stated specifically. The financial statements have been prepared by following a going concern approach and are in conformity with the statutory provisions, accounting standards notified under Section 129 & 133 of the Companies Act, 2013 and the relevant provisions thereof and generally accepted practices prevailing in India except as otherwise stated.
- (b) The financial statements have been prepared in rounding of Rs. Lakhs.

#### 2.1 Estimation of uncertainties relating to the global health pandemic from COVID-19

The spread of second phase of COVID-19 pandemic had partially impacted the regular business operations of the company in the first quarter of the financial year i.e., the volumes for the month April'2021 and May'2021 were impacted as there was suspension of production facilities at Simrol plant, disruptions in supply chain in phase period of April'2021 and significant period of May'2021. The operations normalized post May' 2021 till the year ended 31<sup>st</sup> March 2022. In view of the same the management has closely monitored the situation and has used the principles of prudence, performed sensitivity analysis in applying judgments, estimates & assumptions and based on the current estimates and expects to fully recover the carrying amount of various non-current & current assets.

#### 2.2 Summary of Significant Accounting Policies.

##### (a) Property, Plant & Equipment's:

Property, plant and equipment, capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term projects if the recognition criteria are met.



When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation on fixed assets is calculated on a straight-line method ("SLM") basis using the useful lives estimated by the management. For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as estimated by the management. The Company has used the following useful lives to provide depreciation on its fixed assets:

Particular	Useful Life (in Years)
Factory Buildings	30
Plant & Equipment	15*
Computers	3
Office Equipment	5
Furniture & Fittings	10
Vehicles	8

\*In respect of assets used at any time during the year on double shift or triple shift basis, the depreciation for that period is increased by 50% or 100%, respectively.

In respect of following assets, not included above, the useful lives estimated by the management, basis technical assessment, are different from those indicated in Schedule II to the Companies Act, 2013:

- (i) RO Membranes & Carbo Blender (both included in Plant & Equipment) are depreciated on a straight-line basis over a period of 3 years being useful life, as estimated by the management considering nature of these assets.
  - (ii) Assets individually costing Rs. 5,000 or less are depreciated on a straight-line basis over a period of 1 year being useful life, as estimated by the management considering such assets do not have enduring benefits.
- (b) Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life.



A summary of amortization policies applied to the Company's intangible assets is as below:

Computer Software	3 Years
-------------------	---------

(c) **Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior years is reversed if there has been a change in the estimate of recoverable amount.

(d) **Lease Assets:**

Leases where the lessor effectively retain substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss Account on a Straight-line basis over the lease term. Lease income is recognized in the Profit and Loss Account on an accrual basis.

(e) **Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(f) **Investments:**

Current investments are carried at lower of cost and quoted/fair value, computed category wise, Long-Term Investments are stated at cost. Provisions for diminution in the value of the long-term investments is made only if such a decline is other than temporary.

(g) **Inventories:**

Inventories are valued at the lower of cost and net realizable value (NRV). Cost is measured by including, unless specifically mentioned below, cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis for all



inventories except for by products and scrap materials which are valued at net realizable value.

**(h) Revenue Recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Sale of Products**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer usually on dispatch of the goods from brewery/warehouses. Gross turnover excludes GST, VAT and CST.

**Revenue from rendering of Services**

Revenue from rendering of services is recognized on pro-rata basis over the period of contract and when the performance of agreed contractual task has been completed.

**Interest**

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(i) Bottling Business:**

The company is having arrangement for manufacturing of the products of certain brand owners on fixed charge basis. In view of state excise laws, these transactions have taken place in the name of the company and accordingly accounted for in the books of accounts of the company notwithstanding the risks and rewards being with respective brand owners.

**(j) Employee Benefits:**

- (i) The company's contribution to Provident Fund and Employees State Insurance Scheme are charged to profit & loss account.
- (ii) Short-term employee benefits are recognized as an expense at the un-discounted amount in the profit and loss account of the year in which the related service is rendered.
- (iii) Post-employment and other long-term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment and other long-term benefits are charged to the profit and loss account.
- (iv) Encashment of leave is recognized and provided on yearly basis. There is accumulation of leave encashment and same are paid upon accumulation at year end of the accumulated leaves in excess of 90 days or upon cessation of employment.



**(k) Earnings Per Share:**

The earning considered in ascertaining the company's earnings per share (EPS) comprise of the net profit after tax. The number of shares used in computing diluted EPS comprise of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity Shares which could have been issued on the conversion of all dilutive potential Equity Shares.

**(l) Foreign Currency Transaction:**

- (i) Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction.
- (ii) Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the year end, are translated at exchange rates applicable as on that date.
- (iii) Non-monetary items denominated in foreign currency, (such as fixed assets) are valued at transaction cost.
- (iv) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the Profit and Loss Account.

**(m) Provision, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**(n) Income Taxes:**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income



will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date.

The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT credit entitlement". The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



**MOUNT EVEREST BREWERIES LIMITED**  
CIN No.U15549MP1999PLC049379  
BALANCE SHEET as at 31st March, 2022

PARTICULARS	NOTE NO.	(₹ in Lacs)	
		As at 31st March 2022	As at 31st March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDER'S FUNDS</b>			
SHARE CAPITAL	3	2,061.10	2,061.10
RESERVES & SURPLUS	4	6,435.77	6,032.17
<b>2 NON-CURRENT LIABILITIES</b>			
LONG TERM BORROWINGS	5	1,248.97	997.65
DEFERRED TAX LIABILITIES (NET)	6	928.65	839.32
<b>3 CURRENT LIABILITIES</b>			
SHORT TERM BORROWINGS	7	3,414.24	6,148.58
TRADE PAYABLES	8		
-TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES; AND		175.76	28.21
-TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		5,468.65	5,084.73
OTHER CURRENT LIABILITIES	9	1,256.94	1,052.24
SHORT TERM PROVISIONS	10	113.78	65.37
<b>TOTAL</b>		<b>21,103.86</b>	<b>22,309.37</b>
<b>II. ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
PROPERTY, PLANT AND EQUIPMENT	11	10,150.40	9,529.63
CAPITAL WORK-IN-PROGRESS	12	140.90	154.49
INTANGIBLE ASSETS	13	0.01	0.01
<b>2 NON-CURRENT INVESTMENTS</b>			
LONG TERM LOANS & ADVANCES	14	48.58	194.83
<b>3 NON-CURRENT ASSETS</b>			
OTHER NON-CURRENT ASSETS	15	99.28	83.28
<b>4 CURRENT ASSETS</b>			
INVENTORIES	16	4,570.94	5,834.44
TRADE RECEIVABLES	17	3,450.48	4,926.93
CASH AND BANK BALANCES	18	94.35	128.32
SHORT TERM LOANS AND ADVANCES	19	56.53	101.85
OTHER CURRENT ASSETS	20	2,492.39	1,355.59
<b>TOTAL</b>		<b>21,103.86</b>	<b>22,309.37</b>

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

1 & 2

**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

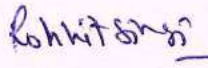
  
**(Nilesh Kumar Jain)**  
PARTNER  
M.NO.- 418488  
FRN: 016939C



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

  
Gopal Agrawal  
Whole Time Director  
DIN: 00840188

  
Ranjan Tiberwal  
Director  
DIN: 01786410

  
Rohit Singi  
Chief Financial Officer

  
Pravendra Kumar Pal  
Company Secretary

Place : Indore  
Date : 5th July, 2022



**MOUNT EVEREST BREWERIES LIMITED**  
CIN No.U15549MP1999PLC049379  
**STATEMENT OF PROFIT & LOSS for the year ended on 31st March, 2022**

PARTICULARS	NOTE NO.	(₹ in Lacs)	
		For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>INCOME</b>			
I. REVENUE FROM OPERATIONS	21	28,635.83	25,039.46
II. OTHER INCOME	22	76.79	45.04
<b>III. TOTAL INCOME (I + II)</b>		<b>28,712.62</b>	<b>25,084.50</b>
<b>IV. EXPENDITURE</b>			
COST OF MATERIALS CONSUMED	23	14,493.16	11,950.99
CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS	24	922.56	(11.69)
EMPLOYEE BENEFITS EXPENSE	25	1,018.22	994.43
FINANCE COSTS	26	358.61	508.97
DEPRECIATION AND AMORTISATION EXPENSE	11 & 13	773.42	888.90
OTHER EXPENSES	27	10,554.15	10,333.76
<b>TOTAL EXPENSES</b>		<b>28,120.12</b>	<b>24,665.35</b>
<b>V. PROFIT BEFORE TAX (III - IV)</b>		<b>592.50</b>	<b>419.15</b>
<b>VI. TAX EXPENSE</b>			
1) CURRENT TAX		99.56	73.89
2) TAX FOR EARLIER PERIOD		-	5.95
3) DEFERRED TAX		89.33	96.36
<b>VII. PROFIT AFTER TAX (V - VI)</b>		<b>403.61</b>	<b>242.94</b>
EARNING PER EQUITY SHARE OF FACE VALUE OF Rs.10/- EACH			
BASIC AND DILUTED (Excluding Extra Ordinary Item)	30	1.96	1.18
BASIC AND DILUTED (Including Extra Ordinary Item)	30	1.96	1.18

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

**FOR NILESH JAIN & ASSOCIATES**

Chartered Accountants

  
**(Nilesh Kumar Jain)**  
PARTNER  
M.NO.- 418488  
FRN: 016939C



Place : Indore  
Date : 5th July, 2022

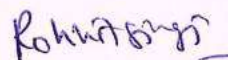
**For and on behalf of the Board of Directors**



Gopal Agrawal  
Whole Time Director  
DIN: 00840188



Ranjan Tiberwal  
Director  
DIN: 01786410



Rohit Singi  
Chief Financial Officer



Pravendra Kumar Pal  
Company Secretary



**MOUNT EVEREST BREWERIES LIMITED**  
CIN No.U15549MP1999PLC049379  
CASH FLOW STATEMENT for the year ended 31st March, 2022

PARTICULARS	(₹ in Lacs)	
	For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>PROFIT/LOSS BEFORE TAX</b>	<b>592.50</b>	<b>419.15</b>
<b>Adjustments for:</b>		
DEPRECIATION / AMORTISATION	773.42	888.90
LOSS/(PROFIT) ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT	1.88	-
FINANCE COST	358.61	508.97
INTEREST INCOME	(3.03)	(4.55)
BAD DEBTS	-	-
SUNDRY BALANCES WRITTEN BACK	(9.66)	-
PROVISION - Obsolete Stock	-	(4.53)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,713.72</b>	<b>1,807.94</b>
<b>MOVEMENT IN WORKING CAPITAL</b>		
INCREASE/(DECREASE) IN TRADE PAYABLE	521.81	1,534.92
INCREASE/(DECREASE) IN OTHER CURRENT LIABILITIES & PROVISIONS	111.76	(1,119.91)
(INCREASE)/DECREASE IN TRADE RECEIVABLES	1,476.45	(1,358.49)
(INCREASE)/DECREASE IN INVENTORIES	1,263.50	(348.11)
(INCREASE)/DECREASE IN LOANS, ADVANCES & OTHER CURRENT ASSETS	(1,107.48)	211.06
<b>NET MOVEMENT IN WORKING CAPITAL</b>	<b>2,266.04</b>	<b>(1,080.53)</b>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>3,979.76</b>	<b>727.41</b>
DIRECT TAX PAID	5.91	192.43
<b>NET CASH FLOW FROM OPERATIONS (A)</b>	<b>3,973.85</b>	<b>534.98</b>
<b>B. CASH FLOW FROM INVESTMENTS</b>		
PURCHASE OF FIXED ASSETS	(1,174.99)	(671.89)
PROCEEDS FROM SALE OF FIXED ASSET	8.32	-
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS	(17.02)	(1.89)
INTEREST INCOME RECEIVED	3.03	4.55
<b>NET CASH USED IN INVESTMENTS (B)</b>	<b>(1,180.67)</b>	<b>(669.23)</b>
<b>C. CASH FLOW FROM FINANCE</b>		
PROCEED FROM ISSUE OF SHARES	-	-
FINANCE COST	(361.17)	(505.71)
PROCEED/(REPAYMENT) OF LONG TERM BORROWINGS	251.32	161.26
PROCEEDS/(REPAYMENT) FROM SHORT TERM BORROWINGS	(2,734.34)	455.77
<b>NET CASH FLOW FROM FINANCE (C)</b>	<b>(2,844.19)</b>	<b>111.32</b>
<b>NET CASH FLOW / (OUTFLOW) (A+B+C)</b>	<b>(51.00)</b>	<b>(22.93)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
(OPENING BALANCE)	95.69	118.62
(CLOSING BALANCE)	44.69	95.69
<b>NET INCREASE / (DECREASE) IN CASH</b>	<b>(51.00)</b>	<b>(22.93)</b>

**Notes :**

- The Cash Flow Statement has been prepared under the " Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.  
The following have been considered under financing activities :- Cash credit / Working capital demand loan and other borrowings being source of finance.
- Proceeds from borrowings are shown net of repayments.
- Purchase of fixed assets are shown inclusive of movements in capital work - in - progress.
- Cash and cash equivalents represent cash & bank balances other than bank balances marked lien as margin money.

Accompanying notes form an integral part of the financial statements.  
As per our report of even date

**FOR NILESH JAIN & ASSOCIATES**  
Chartered Accountants

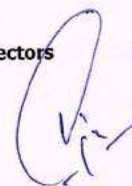
  
(Nilesh Kumar Jain)  
PARTNER



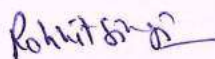
**For and on behalf of the Board of Directors**



Gopal Agrawal  
Whole Time Director  
DIN: 00840188



Ranjan Tiberwal  
Director  
DIN: 01786410



Rohit Singi  
Chief Financial Officer



Pravendra Kumar Pal  
Company Secretary

Place : Indore  
Date : 5th July, 2022



**MOUNT EVEREST BREWERIES LIMITED**  
Notes to Financial Statements as on and for the year ended 31st March, 2022

**3 Note 3**  
**SHARE CAPITAL**

PARTICULARS	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
A) <b>AUTHORISED:</b> 2,20,00,000 (PREVIOUS YEAR 2,20,00,000) EQUITY SHARES OF Rs. 10/- EACH	2,200.00	2,200.00
<b>TOTAL</b>	<b>2,200.00</b>	<b>2,200.00</b>
B) <b>ISSUED</b> 2,06,11,027 (PREVIOUS YEAR 2,00,48,000 ) EQUITY SHARES OF Rs.10/- EACH	2,061.10	2,061.10
C) <b>SUBSCRIBED AND FULLY PAID UP :</b> 2,06,11,027 (PREVIOUS YEAR 2,00,48,000 ) EQUITY SHARES OF Rs.10/- EACH	2,061.10	2,061.10
<b>TOTAL</b>	<b>2,061.10</b>	<b>2,061.10</b>

**Note 3.1**

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars
Equity shares at the beginning of the year
Equity Shares issued during the year
Equity shares at the end of the year

As at 31st March, 2022	As at 31st March, 2021
No. of Shares	No. of Shares
2,06,11,027	2,06,11,027
-	-
2,06,11,027	2,06,11,027

**Note 3.2**

The Company has only one class of equity shares having par value of Rs 10 each. Each holder of equity share is entitled to one vote per share.

**Note 3.3**

Details of shares in the company held by each shareholder holding more than 5% shares

Sr. No	Name of Shareholder
1	Novelty Realtors Pvt. Ltd.
2	Moriya Merchandise Pvt. Ltd.
3	Eagle Agencies Pvt. Ltd.
4	Millennium Uria Ltd.
5	Smilington Holdings Pvt. Ltd.
6	Accord Vanijya Pvt. Ltd.

31st March, 2022		31st March, 2021	
No. of Equity Shares	% of total subscribed and fully paid up shares	No. of Equity Shares	% of total subscribed and fully paid up shares
44,63,027	21.65%	44,63,027	21.65%
32,33,409	15.69%	32,33,409	15.69%
23,40,135	11.35%	23,40,135	11.35%
21,36,000	10.36%	21,36,000	10.36%
12,12,900	5.88%	12,12,900	5.88%
11,31,406	5.49%	11,31,406	5.49%

**Note 3.4**

Details of Shareholding of Promoters in the Company

Sr. No	Name of Shareholder
1	ANAND KUMAR KEDIA
2	PRASANN KUMAR KEDIA
3	ANSHUMAN KEDIA
4	VEDANT KEDIA
5	RAM DULARI KEDIA

No. of Shares as at 31st March, 2021	No. of Shares as at 31st March, 2022	% of total shares as at 31st March, 2022	% of total shares as at 31st March, 2021	% Change during the year
6,350	6,350	0.03%	0.03%	0.00%
6,350	6,350	0.03%	0.03%	0.00%
6,350	2,05,213	1.00%	0.03%	0.97%
6,350	2,05,212	1.00%	0.03%	0.97%
3,99,725		0.00%	1.94%	-1.94%



**4 Note 4  
RESERVE & SURPLUS**

PARTICULARS	₹ in Lacs	
	As at 31st March 2022	As at 31st March 2021
A) SECURITIES PREMIUM RESERVE	2,342.03	2,342.03
B) GENERAL RESERVE	269.64	249.64
Opening Balance	20.00	20.00
Add: Transferred from surplus	289.64	269.64
C) RETAINED EARNINGS	3,420.49	3,197.56
Opening Balance	403.61	242.94
Add: Profit for the year transferred from Statement of Profit & Loss	3,824.10	3,440.49
Amount available for appropriation		
Appropriations:	20.00	20.00
Less: Amount transferred to General Reserve	3,804.10	3,420.49
<b>TOTAL</b>	<b>6,435.77</b>	<b>6,032.17</b>

**5 Note 5  
LONG TERM BORROWINGS**

PARTICULARS	₹ in Lacs			
	As at 31st March 2022		As at 31st March 2021	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
TERM LOANS FROM BANKS (Secured) (Refer Note 5.1 & Note 5.2)	1,248.97	437.93	997.65	966.04
LOANS FROM BODY CORPORATES (Unsecured) (Refer Note 5.3)	-	-	-	609.10
<b>TOTAL</b>	<b>1,248.97</b>	<b>437.93</b>	<b>997.65</b>	<b>1,575.14</b>

**Note 5.1  
Details of Loan Taken from Bank**

PARTICULARS OF LOAN
Term Loan From HDFC Bank (Repayable in 21 quarterly installments, last installment falling due in Feb. 2022. Interest Rate as at 31.03.2021 - 9.10%)
Term Loan From HDFC Bank (Repayable in 15 quarterly installments, last installment falling due in Aug. 2021. Interest Rate as at 31.03.2021 - 8.80%)
Term Loan From HDFC Bank (Repayable in 15 quarterly installments, last installment falling due in Dec. 2025. Interest Rate as at 31.03.2022 - 8.30%)
Term Loan From Kotak Mahindra Bank (Repayable in 60 Monthly installments, last installment falling due in Sept. 2025. Interest Rate as at 31.03.2022 - 8.00%)
Term Loan From HDFC Bank (Repayable in 20 quarterly installments, last installment falling due in Sept. 2026. Interest Rate as at 31.03.2022 - 6.50%)
Term Loan From HDFC Bank (Repayable in 1 quarterly installments, Moratorium interest due in April 2022. Interest Rate as at 31.03.2022 - 6.50%)
Term Loan From HDFC Bank

As at 31st March 2022		As at 31st March 2021	
NON CURRENT	CURRENT	NON CURRENT	CURRENT
-	-	-	466.32
-	-	-	224.82
429.93	150.00	585.82	150.00
270.00	108.00	378.00	108.00
531.63	151.89	-	-
-	5.94	-	-
-	5.89	-	-



(Repayable in 1 quarterly installments, Moratorium interest due in April 2022. Interest Rate as at 31.03.2022 - 6.50%)	14.32	13.11	3.74	1.60
Vehicle Loan From HDFC Bank-65408089				
(Repayable in 60 monthly installments, last installment falling due in Feb. 2024. Interest Rate - 9.70% fixed)	1.91	1.77	2.51	1.20
Vehicle Loan From HDFC Bank-65406653				
(Repayable in 60 monthly installments, last installment falling due in Feb. 2024. Interest Rate - 9.70% fixed)	1.17	1.33	27.52	11.90
Vehicle Loan From HDFC Bank-65644889				0.57
(Repayable in 60 monthly installments, last installment falling due in Feb. 2024. Interest Rate - 8.90% fixed)	-	-	-	-
Vehicle Loan From Kotak Mahindra -15657340			0.06	1.64
(Repayable in 37 monthly installments, last installment falling due in Apr. 2021. Interest Rate - 8.53% fixed)	-	-	-	-
Vehicle Loan From Kotak Mahindra -15924849				
(Repayable in 37 monthly installments, last installment falling due in Jun. 2021. Interest Rate - 9.05% fixed)				
<b>TOTAL</b>	<b>1,248.97</b>	<b>437.93</b>	<b>997.65</b>	<b>966.04</b>

**Note 5.2**

a) Term loan includes Rs.45.44 Lacs (previous year Rs. 50.74 Lacs) as car loan, loan repayable on monthly basis, secured by hypothecation on assets acquired.

b) Financial assistance of Rs.1,231.56 Lacs (previous year Rs.1,426.96 Lacs) as term loan, loan repayable on quarterly basis, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company and also personal guarantee of certain KMP's of the Company.

c) Financial assistance of Rs.378.00 Lacs (previous year Rs.486.00 Lacs) as term loan, loan repayable on monthly basis, secured by pari passu first charge on entire fixed assets of the company through hypothecation for movable and mortgage of immovable on present and future net block of the company and also personal guarantee of certain KMP's of the Company.

**Note 5.3**

a) Financial assistance of Rs. Nil Lacs (previous year Rs.609.10) from various corporate entities, repayable within 1 year and are unsecured in nature and carries rate of interest @ 9.25% p.a.

**Note 6**

**DEFERRED TAX LIABILITY (NET)**

PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>DEFERRED TAX LIABILITY</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	942.62	859.31
	<u>942.62</u>	<u>859.31</u>
<b>LESS: DEFERRED TAX ASSETS</b>		
Provision for Gratuity	5.04	13.09
Provision for Leave Encashment	8.93	6.90
	<u>13.97</u>	<u>19.99</u>
	<u>928.65</u>	<u>839.32</u>

**Movement in deferred tax liability/(asset) during the year ended 31st March, 2022**

Particulars	As at 1st April, 2021	Charge/(credit) in Statement of Profit & Loss	Charge/(credit) in Other Comprehensive Income	As at 31st March, 2022
<b>Deferred tax liability/(asset)</b>				
Property Plant & Equipment & Intangible Assets	859.31	83.31	-	942.62
Amount deductible on payment basis	(19.99)	6.02	-	(13.97)
	<u>839.32</u>	<u>89.33</u>	<u>-</u>	<u>928.65</u>

**Movement in deferred tax liability/(asset) during the year ended 31st March, 2021**

Particulars	As at 1st April, 2020	Charge/(credit) in Statement of Profit & Loss	Charge/(credit) in Other Comprehensive Income	As at 31st March, 2021
<b>Deferred tax liability/(asset)</b>				
Property Plant & Equipment & Intangible Assets	761.15	98.16	-	859.31
Amount deductible on payment basis	(18.19)	(1.80)	-	(19.99)
	<u>742.96</u>	<u>96.36</u>	<u>-</u>	<u>839.32</u>



7 **Note 7**  
**SHORT TERM BORROWINGS**

PARTICULARS	₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
<b>SECURED BORROWINGS</b>		
FROM BANKS (Refer Note No. 7.1 & 7.2)	2,976.31	3,166.98
<b>UNSECURED BORROWING</b>		
FROM BODY CORPORATES (Refer Note No. 7.3)	437.93	1,406.46
<b>CURRENT MATURITIES OF LONG TERM DEBT (Refer Note 5)</b>		
<b>TOTAL</b>	<b>3,414.24</b>	<b>6,148.58</b>

**Note 7.1**

Financial assistance of Rs. 2,976.31 Lacs (previous year Rs. 3,166.98 Lacs) as cash credit facility, repayable on demand, secured by first charge by way of hypothecation of inventory and book debts and second charge by way of hypothecation of movable and mortgage of immovable on entire present and future net block. These loans are further secured by the personal guarantee of some of the employees of the company.

**Note 7.2**

Financial assistance of Rs. 1,000 Lacs (previous year Rs. 1,000 Lacs) as working capital facility, repayable at 90 days. The working capital facility are further secured by the personal guarantee of some of the employees of the company.

**Note 7.3**

Financial assistance of Rs. Nil Lacs (previous year Rs.1,406.46 Lacs) from various corporate entities, repayable on demand and are unsecured in nature and carries rate of interest @ 9.25% p.a.

**Note 7.4**

The above secured working capital borrowings are utilised towards meeting day to day cash outflow requirements for liabilities in normal operating cycle of the business.

8 **Note 8**  
**TRADE PAYABLES**

PARTICULARS	₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
-Total outstanding dues of micro enterprises and small enterprises; and (Refer Note 8.1)	175.76	28.21
-Total outstanding dues of creditors other than micro enterprises and small enterprises	5,468.65	5,084.73
<b>TOTAL</b>	<b>5,644.41</b>	<b>5,112.94</b>

**Note 8.1**

The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Particulars
Principal & Interest amount remaining unpaid but not due as at year end
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006
Interest accrued and remaining unpaid as at year end
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise

As at 31st March,2022	As at 31st March,2021
175.76	28.21
-	-
-	-
-	-
-	-



**Note 8.2**  
**Trade Payable ageing schedule**

Trade Payable ageing schedule for the year ended 31st March 2022

(₹ in Lacs)

S.No	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
				Less than 1 year	1-2 Years	2-3 Years	More than 3 year	
				175.76	-	-	-	175.76
1	MSME	-	-	4,865.33	435.05	103.67	80.19	5,484.24
2	Others	250.43	33.98	-	-	-	-	284.41
3	Disputed dues- MSME	-	-	-	-	-	-	-
4	Disputed dues- Others	-	-	-	-	-	-	-
	<b>Total</b>	<b>250.43</b>	<b>33.98</b>	<b>4,741.09</b>	<b>435.05</b>	<b>103.67</b>	<b>80.19</b>	<b>5,644.41</b>

Trade Payable ageing schedule for the year ended 31st March 2021

(₹ in Lacs)

S.No	Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
				Less than 1 year	1-2 Years	2-3 Years	More than 3 year	
				28.21	-	-	-	28.21
1	MSME	-	-	4,289.91	118.81	34.61	64.00	5,084.73
2	Others	573.75	3.65	-	-	-	-	577.40
3	Disputed dues- MSME	-	-	-	-	-	-	-
4	Disputed dues- Others	-	-	-	-	-	-	-
	<b>Total</b>	<b>573.75</b>	<b>3.65</b>	<b>4,318.12</b>	<b>118.81</b>	<b>34.61</b>	<b>64.00</b>	<b>5,112.94</b>

**9 Note 9**  
**OTHER CURRENT LIABILITIES**

**PARTICULARS**

CREDITORS FOR CAPITAL EXPENDITURE  
SECURITY DEPOSITS  
INTEREST ACCRUED BUT NOT DUE ON BORROWINGS  
STATUTORY DUES PAYABLE  
ADVANCES RECEIVED FROM CUSTOMERS  
EMPLOYEE RELATED DUES  
OTHER PAYABLES (Refer Note 9.1)

**TOTAL**

		(₹ in Lacs)	
	As at	As at	
	31st March 2022	31st March 2021	
	99.94	38.68	
	22.50	-	
	17.76	15.20	
	154.61	145.50	
	0.86	0.86	
	139.56	71.06	
	821.71	780.94	
	<b>1,256.94</b>	<b>1,052.24</b>	

**Note 9.1**

Others Payables include financial assistance from United Breweries Limited for working capital requirement under the agreement.

**10 Note 10**  
**SHORT TERM PROVISIONS**

**PARTICULARS**

PROVISIONS FOR EMPLOYEE BENEFITS  
PROVISION FOR TAXATION (NET OF ADVANCE)

**TOTAL**

		(₹ in Lacs)	
	As at	As at	
	31st March 2022	31st March 2021	
	18.54	47.05	
	95.24	18.32	
	<b>113.78</b>	<b>65.37</b>	

**14 Note 14**  
**LONG TERM LOANS & ADVANCES**  
(Unsecured and Considered Good)

**PARTICULARS**

CAPITAL ADVANCES

**TOTAL**

		(₹ in Lacs)	
	As at	As at	
	31st March 2022	31st March 2021	
	48.58	194.83	
	<b>48.58</b>	<b>194.83</b>	

**15 Note 15**  
**OTHER NON CURRENT ASSETS**  
(Unsecured and Considered Good)

**PARTICULARS**

SECURITY DEPOSIT

**TOTAL**

		(₹ in Lacs)	
	As at	As at	
	31st March 2022	31st March 2021	
	99.28	83.28	
	<b>99.28</b>	<b>83.28</b>	



**MOUNT EVEREST BREWERIES LIMITED**

Notes to Financial Statements as on and for the year ended 31st March, 2022

**11 Note 11  
PROPERTY, PLANT AND EQUIPMENT**

(₹ in Lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION					NET BOOK VALUE	
	AS ON	ADDITION DURING THE YEAR	SALES/TRANS. DURING THE YEAR	AS ON	UP TO	DURING	WRITTEN	UP TO	AS ON	AS ON
	01.04.2021			31.03.2022	01.04.2021	THE YEAR	BACK	31.03.2022	31.03.2022	31.03.2021
LAND	325.71	-	-	325.71	-	-	-	-	325.71	325.71
BUILDING	3,256.26	105.74	-	3,361.99	762.39	111.93	-	874.32	2,487.67	2,493.86
PLANT & MACHINERY	11,178.72	1,277.24	8.32	12,447.64	4,657.61	619.90	6.44	5,271.08	7,176.57	6,521.11
VEHICLE	306.30	10.43	-	316.73	167.89	26.47	-	194.37	122.36	138.41
OFFICE EQUIPMENTS	28.65	1.75	-	30.40	13.93	4.86	-	18.79	11.62	14.72
FURNITURE & FIXTURE	38.13	0.37	-	38.50	16.03	3.09	-	19.12	19.38	22.10
COMPUTERS	38.94	0.54	-	39.48	25.22	7.17	-	32.39	7.09	13.72
<b>TOTAL</b>	<b>15,172.71</b>	<b>1,396.06</b>	<b>8.32</b>	<b>16,560.45</b>	<b>5,643.07</b>	<b>773.42</b>	<b>6.44</b>	<b>6,410.06</b>	<b>10,150.40</b>	<b>9,529.63</b>
WORK IN PROGRESS	154.49	55.81	69.40	140.90	-	-	-	-	140.90	154.49
<b>TOTAL</b>	<b>154.49</b>	<b>55.81</b>	<b>69.40</b>	<b>140.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140.90</b>	<b>154.49</b>
<b>TOTAL</b>	<b>15,327.19</b>	<b>1,451.87</b>	<b>77.71</b>	<b>16,701.36</b>	<b>5,643.07</b>	<b>773.42</b>	<b>6.44</b>	<b>6,410.06</b>	<b>10,291.30</b>	<b>9,684.12</b>
PREVIOUS YEAR	13,834.11	1,338.60	-	15,172.71	4,754.17	888.91	-	5,643.07	9,529.63	9,079.94

**13 Note 13  
INTANGIBLE ASSETS**

(₹ in Lacs)

PARTICULARS	COST			DEPRECIATION					NET BOOK VALUE	
	AS ON	ADDITION DURING THE YEAR	SALES/TRANS. DURING THE YEAR	AS ON	UP TO	DURING	WRITTEN	UP TO	AS ON	AS ON
	01.04.2021			31.03.2022	01.04.2021	THE YEAR	BACK	31.03.2022	31.03.2022	31.03.2021
COMPUTER SOFTWARE	0.30	-	-	0.30	0.29	-	-	0.29	0.01	0.01
<b>TOTAL</b>	<b>0.30</b>	<b>-</b>	<b>-</b>	<b>0.30</b>	<b>0.29</b>	<b>-</b>	<b>-</b>	<b>0.29</b>	<b>0.01</b>	<b>0.01</b>

**Note 11 & 12.1**

1 During the year no revaluation has been carried out in respect of Property Plant and Equipment.



**MOUNT EVEREST BREWERIES LIMITED**  
**CIN No.U15549MP1999PLC049379**  
**Notes to Financial Statements as on and for the year ended 31st March, 2022**

**12 Note 12**  
**CAPITAL WORK-IN-PROGRESS**

**Movement of Capital work in progress are as below :-**

Particulars	As at	As at
	31st March, 2022	31st March 2021
<b>Opening Balance</b>	154.49	1,100.39
Add: Addition during the year	55.81	387.17
Less: Capitalised during the year	(69.40)	(1,333.07)
Less: Impairment during the year	-	-
<b>Closing balance at the end of year</b>	<b>140.90</b>	<b>154.49</b>

**Notes:**

**CWIP ageing schedule as at 31st March, 2022 :**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	55.80	11.45	62.00	11.65	140.90
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>55.80</b>	<b>11.45</b>	<b>62.00</b>	<b>11.65</b>	<b>140.90</b>

**For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule:**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Guest House	-	-	8.04	-
Administrative Building	99.89	-	-	-

**CWIP ageing schedule as at 31st March, 2021 :**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in Progress	50.22	92.62	11.65	-	154.49
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>50.22</b>	<b>92.62</b>	<b>11.65</b>	<b>-</b>	<b>154.49</b>

**For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, CWIP completion schedule:**

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Project in progress	-	-	-	-



16 **Note 16**  
**INVENTORIES**

**PARTICULARS**

(At Lower of Cost or Net Realisable Value)  
RAW MATERIAL  
STOCK IN PROCESS  
FINISHED GOODS  
STORES & SPARES  
PACKAGING MATERIAL

**TOTAL**

(₹ in Lacs)		
	As at	As at
	31st March 2022	31st March 2021
	652.06	604.83
	453.35	300.00
	1,246.46	2,322.37
	420.48	462.60
	1,798.59	2,144.64
<b>TOTAL</b>	<b>4,570.94</b>	<b>5,834.44</b>

17 **Note 17**  
**TRADE RECEIVABLES**

**PARTICULARS**

Trade Receivables considered good - Secured  
Trade Receivables considered good - Unsecured  
Trade Receivables - Doubtful

**TOTAL**

(₹ in Lacs)		
	As at	As at
	31st March 2022	31st March 2021
	3,450.48	4,926.93
<b>TOTAL</b>	<b>3,450.48</b>	<b>4,926.93</b>

**Note 17.1**

Trade Receivables ageing schedule for the year ended 31st March 2022

S.No	Particulars	Not Due	Outstanding from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 year	
1	Undisputed Trade receivables – considered good	-	3,291.75	49.45	58.50	34.03	16.75	3,450.48
2	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
3	Disputed Trade receivables – considered good	-	-	-	-	-	-	-
4	Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Total</b>		-	<b>3,291.75</b>	<b>49.45</b>	<b>58.50</b>	<b>34.03</b>	<b>16.75</b>	<b>3,450.48</b>

Trade Receivables ageing schedule for the year ended 31st March 2021

S.No	Particulars	Not Due	Outstanding from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 year	
1	Undisputed Trade receivables – considered good	-	4,769.28	105.62	33.64	10.44	7.95	4,926.93
2	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
3	Disputed Trade receivables – considered good	-	-	-	-	-	-	-
4	Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Total</b>		-	<b>4,769.28</b>	<b>105.62</b>	<b>33.64</b>	<b>10.44</b>	<b>7.95</b>	<b>4,926.93</b>

There are no unbilled trade receivables at the balance sheet date.

18 **Note 18**  
**CASH & BANK BALANCES**

**PARTICULARS**

**I. CASH & BANK BALANCE**  
BALANCE WITH BANKS  
CASH ON HAND

**II. OTHER BANK BALANCE**  
FIXED DEPOSITS WITH BANKS (Refer Note 18.2)

**TOTAL**

(₹ in Lacs)		
	As at	As at
	31st March 2022	31st March 2021
	15.43	59.20
	29.26	36.48
	49.66	32.64
<b>TOTAL</b>	<b>94.35</b>	<b>128.32</b>

**Note 18.1**

Fixed Deposits with banks are in respect of Bank Guarantee and FD for Commercial Tax Department which includes deposits of Rs. 19.51 Lacs (previous year Rs. 19.51 Lacs) with maturity of more than 12 months.



19 **Note 19**  
**SHORT TERM LOAN & ADVANCES**  
(Unsecured and Considered Good)

PARTICULARS
LOANS & ADVANCES TO BODY CORPORATE & OTHERS
LOANS & ADVANCES TO EMPLOYEES
<b>TOTAL</b>

(₹ in Lacs)	
As at 31st March 2022	As at 31st March 2021
0.10	50.72
56.43	51.13
<b>56.53</b>	<b>101.85</b>

20 **Note 20**  
**OTHER CURRENT ASSETS**  
(Unsecured and Considered Good)

PARTICULARS
DEPOSITS - APPEALS
ADVANCE FOR SUPPLY OF GOODS & RENDERING OF SERVICE
BALANCES WITH GOVERNMENT & STATUTORY AUTHORITIES
PREPAID EXPENSES
INSURANCE CLAIM RECEIVABLE
OTHER RECEIVABLE
<b>TOTAL</b>

(₹ in Lacs)	
As at 31st March 2022	As at 31st March 2021
992.92	982.92
227.03	67.93
121.85	179.78
135.75	123.46
0.17	1.50
1,014.67	-
<b>2,492.39</b>	<b>1,355.59</b>

21 **Note 21**  
**REVENUE FROM OPERATIONS**

PARTICULARS
SALE OF PRODUCTS
REVENUE FROM OTHER OPERATING ACTIVITIES
<b>TOTAL</b>

(₹ in Lacs)	
For the Year ended 31st March 2022	For the Year ended 31st March 2021
28,534.43	24,916.94
101.40	122.52
<b>28,635.83</b>	<b>25,039.46</b>

22 **Note 22**  
**OTHER INCOME**

PARTICULARS
INTEREST INCOME
OTHER NON-OPERATING INCOME (Refer Note 22.1)
<b>TOTAL</b>

(₹ in Lacs)	
For the Year ended 31st March 2022	For the Year ended 31st March 2021
3.03	4.55
73.76	40.49
<b>76.79</b>	<b>45.04</b>

**Note 22.1**  
Other Non-operating income includes loading & unloading income, other receipts, balances written off & insurance claims.

23 **Note 23**  
**COST OF MATERIAL CONSUMED**

PARTICULARS
MATERIALS CONSUMED (Refer Note 23.1)
<b>TOTAL</b>

(₹ in Lacs)	
For the Year ended 31st March 2022	For the Year ended 31st March 2021
14,493.16	11,950.99
<b>14,493.16</b>	<b>11,950.99</b>

**Note 23.1**

Particulars of material consumed

Raw & Other Materials  
Packing Material

**Total**

(₹ in Lacs)	
For the Year ended 31st March 2022	For the Year ended 31st March 2021
3,768.29	3,002.76
10,724.88	8,948.23
<b>14,493.17</b>	<b>11,950.99</b>



24 **Note 24**  
**CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK IN PROCESS**

PARTICULARS
<b>INVENTORIES (OPENING)</b>
FINISHED GOODS
STOCK-IN-PROCESS
<b>INVENTORIES (CLOSING)</b>
FINISHED GOODS
STOCK-IN-PROCESS
<b>TOTAL</b>

(₹ in Lacs)	
For the Year ended 31st March 2022	For the Year ended 31st March 2021
2,322.37	2,304.14
300.00	306.54
1,246.46	2,322.37
453.35	300.00
<b>922.56</b>	<b>(11.69)</b>

25 **Note 25**  
**EMPLOYEE BENEFITS EXPENSE**

PARTICULARS
SALARY & WAGES
CONTRIBUTION TO PROVIDENT AND OTHER FUNDS (Refer Note 25.1)
STAFF WELFARE EXPENSES
<b>TOTAL</b>

(₹ in Lacs)	
For the Year ended 31st March 2022	For the Year ended 31st March 2021
937.40	924.63
66.02	52.87
14.80	16.93
<b>1,018.22</b>	<b>994.43</b>

**Note 25.1**

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are

**A) Defined Contribution Plan**

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:-

Employer's Contribution to Provident Fund

**B) Defined Benefit Plan**

i) The obligation of leave encashment is recognized, provided and paid on yearly basis.

ii) The Company has taken Group Gratuity Policy of LIC of India. The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

**I. Reconciliation of opening and closing balances of obligation**

Liability at the beginning of the year
Current Service Cost
Interest Cost
Past Service Cost
Benefits paid
Actuarial (gain)/ Loss on obligations
Liability at the end of the year

(₹ in Lacs)	
31st March 2022	31st March 2021
99.77	93.77
20.09	19.57
6.80	6.24
0.00	0.00
(2.55)	(4.46)
(3.67)	(15.35)
<b>120.44</b>	<b>99.77</b>

**II. Reconciliation of opening and closing balances of fair value of plan assets**

Fair value of plan assets at the beginning of the year
Expected return on plan assets
Contribution by the employer
Benefits paid
Actuarial (gain)/Loss
Fair value of plan assets at the end of the year

31st March 2022	31st March 2021
52.72	54.32
5.18	3.55
47.18	0.00
(2.55)	(4.46)
(0.78)	(0.69)
101.74	52.72

**III. BALANCE SHEET RECONCILIATION**

Opening Net Liability
Expenses recognised in Statement of Profit & Loss
Employer's Contribution
Net Liability / (Asset) Recognised in the Balance Sheet

31st March 2022	31st March 2021
47.05	39.45
18.82	7.60
-47.18	-
18.69	47.05



**IV. Expenses recognized in Profit & Loss Account**

	31st March 2022	31st March 2021
Current Service Cost	20.09	19.57
Interest Cost	6.80	6.24
Expected return on the plan assets	(5.18)	(3.55)
Past service Cost	0.00	0.00
Actuarial (gain)/loss	(2.89)	(14.66)
Total Expenses included in employee cost	18.82	7.60

**V. Principal actuarial assumptions**

Discount rate	7.20%	6.90%
Expected rate of return on plan of assets	7.20%	6.90%
Salary increment rate	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Investment with insurer	100%	100%

**26 Note 26**

**FINANCE COST**

**PARTICULARS**

INTEREST EXPENSE  
OTHER BORROWING COSTS

**TOTAL**

		₹ in Lacs	
	For the Year ended 31st March 2022	For the Year ended 31st March 2021	
	342.24	494.51	
	16.37	14.46	
<b>TOTAL</b>	<b>358.61</b>	<b>508.97</b>	

**27 Note 27**

**OTHER EXPENSE**

**PARTICULARS**

**MANUFACTURING EXPENSES**  
CONSUMPTION OF STORES AND SPARE PARTS  
POWER & FUEL  
REPAIRS TO MACHINERY  
BRAND OWNER ENTITLEMENT  
BOTTLING FEES  
BOTTLING CHARGES  
OTHER MANUFACTURING EXPENSES  
EXCISE DUTY  
**LOSS ON SALE OF FIXED ASSET**  
**ADMINISTRATION EXPENSES**  
INSURANCE  
SELLING & DISTRIBUTION EXPENSES  
RENT  
PAYMENT TO AUDITOR (Refer Note 27.1)  
RATES & TAXES  
BAD DEBTS  
PRIOR PERIOD EXPENSES (NET)  
OTHER SELLING & ADMINISTRATION EXPENSES

**TOTAL**

**Note 27.1**

**Payment to Auditor as:**

(a) Auditors Remuneration  
(b) For Reimbursement of Expenses  
**Total**

		₹ in Lacs	
	For the Year ended 31st March 2022	For the Year ended 31st March 2021	
	681.33	623.64	
	719.02	824.54	
	54.91	102.13	
	2,267.74	2,194.75	
	3,052.18	2,605.73	
	322.38	384.58	
	479.76	416.70	
	209.40	731.77	
	1.88	-	
	55.22	57.55	
	1,104.72	824.16	
	70.62	55.05	
	6.00	6.00	
	698.96	676.61	
	-	-	
	1.16	0.23	
	828.87	830.31	
<b>TOTAL</b>	<b>10,554.15</b>	<b>10,333.76</b>	

	6.00	6.00
	-	-
<b>Total</b>	<b>6.00</b>	<b>6.00</b>

**28 Note 28**

**CORPORATE SOCIAL RESPONSIBILITY**

Year	Spent	UnSpent
2019-20	12.51	2.79
2020-21	16.18	14.46
2021-22*	-	-

₹ in Lacs		
CSR Amount	Spent	UnSpent
12.51	9.72	2.79
16.18	1.72	14.46
-	8.03	-

\* Pursuant to section 135(1) of the Companies Act 2013, the net profit of the immediately preceding financial year 2020-21 is not exceeding Rs. 500 Lakhs, hence the applicability for the CSR provision for the current year is not required.



**Note 28.1**

Following shall be disclosed with regards to CSR activities:-

S.No	Particulars	2021-22	2020-21
a	Amount required to be spent by the Company during the year	-	16.18
b	Amount of expenditure incurred	8.03	1.72
c	Excess/(Shortfall) at the end of the year	(9.22)	(14.46)
d	Excess spent from previous year utilized during the current year	-	-
e	Total of previous years shortfall	17.25	2.79
f	Reason for shortfall	The shortfall balance would be transferred to fund specified in Schedule VII.	
g	Nature of CSR activities	(i) Promoting education. (ii) Promoting sports. (iii) Infrastructure improvement in government health organisations.	
h	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	-
i	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

**29 Note 29****CONTINGENT LIABILITIES AND COMMITMENTS****PARTICULARS****Contingent Liabilities**

(A) Bank guarantees outstanding at the year end

**Commitments**

(A) Estimated amount of contracts remaining to be executed on capital account and not provided for

**(B) Dues**

Income Tax (Refer Note 29.1)  
MP Excise Duty  
Central Sales Tax  
Service Tax  
Value Added Tax

PARTICULARS	₹ in Lacs	
	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Contingent Liabilities	117.66	117.66
Commitments	1.10	851.48
(B) Dues	-	1,140.52
Income Tax (Refer Note 29.1)	110.76	110.76
MP Excise Duty	6.20	6.20
Central Sales Tax	4,238.02	4,238.02
Service Tax	6.76	6.76
Value Added Tax	-	-

**Note 29.1**

With respect to income tax assessment orders under section 153A of the Income Tax Act, 1961, in relation to a search carried out in an earlier year, for the AY 2012-2013 to 2017-2018 and income tax assessment order for the AY 2018-2019 under section 143(3) of the Income Tax Act, 1961, during the year, the Company has received the ITAT appellate order where the entire tax demand has been quashed and the Company has initiated the process of refund.

**30 Note 30****EARNING PER SHARE**

Particulars	2021-22	2020-21
Face Value per Share (in Rs.)	10.00	10.00
a Weighted average number of Equity Shares	2,06,11,027	2,06,11,027
1 Number of Equity Shares at the beginning of the year	2,06,11,027	2,06,11,027
2 Number of Equity Shares at the end of the year	2,06,11,027	2,06,11,027
3 Weighted average number of Equity Shares outstanding during the year (on annualized basis)	403.61	242.94
b Net Profit after tax available for Equity Share holders (in Rs. Lacs)	403.61	242.94
c Net Profit after tax available for Equity Share holders (in Rs. Lacs) (excluding Extra Ordinary Item)	1.96	1.18
d Basic and diluted Equity per share (in Rs.) annualized (excluding Extra Ordinary Item)	1.96	1.18

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Face Value per Share (in Rs.)	10.00	10.00
a Weighted average number of Equity Shares	2,06,11,027	2,06,11,027
1 Number of Equity Shares at the beginning of the year	2,06,11,027	2,06,11,027
2 Number of Equity Shares at the end of the year	2,06,11,027	2,06,11,027
3 Weighted average number of Equity Shares outstanding during the year (on annualized basis)	403.61	242.94
b Net Profit after tax available for Equity Share holders (in Rs. Lacs)	403.61	242.94
c Net Profit after tax available for Equity Share holders (in Rs. Lacs) (excluding Extra Ordinary Item)	1.96	1.18
d Basic and diluted Equity per share (in Rs.) annualized (excluding Extra Ordinary Item)	1.96	1.18



**31 Note 31  
RELATED PARTY DISCLOSURE**

A List of Related Parties where control exists and related parties with whom transactions have taken place.

Name of Related Party	Relationship
Mr. Gopal Agarwal	Director
Mr. Ranjan Tiberwal	Director
Mr. Santeev Tulsyan	Director
Mr. Rohit Singi	Chief Financial Officer
Mr. Pravendra Pal	Company Secretary
Novelty Realtors Pvt. Ltd.	Significant influence by virtue of holding more than 20% equity shares
Mr. Anand Kumar Kedia	KMP as per AS 18
Mr. Prasann Kumar Kedia	KMP as per AS 18
Mrs. Ram Dulari Kedia	Relative of KMP
Mrs. Sangita Kedia	Relative of KMP
Mrs. Shweta Kedia	Relative of KMP
Mr. Anshuman Kedia	Relative of KMP
Mr. Vedant Kedia	Relative of KMP

**B Related party transaction**

Particulars
Remuneration
Rent Expenses
Interest Paid
Loan Given
Advance taken against property

**Summary of Outstanding balances with the related parties**

Particulars
Amount Receivable

2021-22		2020-21	
Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
102.95	74.92	124.21	96.67
3.00	4.20	-	7.20
-	-	-	-
-	-	-	-
-	-	-	-

As at 31st March 2022		As at 31st March 2021	
Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
25.84	12.78	18.76	13.34

**32 Note 32  
SEGMENT REPORTING**

The Company has identified primarily reportable segment viz. Beer segment same has been identified and reported taking into account nature of product and service, the differing risks and returns and the internal business reporting systems.

The Company is not having more than one business segment so segment information as per AS 17 is not required.

**33 Note 33  
DETAILS OF SIGNIFICANT CHANGES IN THE KEY FINANCIAL RATIOS AND RETURN ON NET WORTH**

S.No	Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.02	1.00	2.52%	
2	Debt-equity ratio	Total Borrowings	Equity	0.55	0.88	-37.85%	Reduction in debt to equity ratio is attributable lower utilisation of working capital limits on indicating improved cash flows and also to higher profits retained during the year.
3	Debt service coverage ratio	Profit after tax, Non cash operating expense, interest, other adjustment if any	Interest & Lease Payments, Principal Repayments	0.31	0.21	42.67%	Higher debt service coverage ratio is on account of higher profit after tax during the year.
4	Return on equity ratio	Profit after tax	Average shareholder's equity	0.012	0.008	59.66%	Increase was primarily on account of increase in profit after tax.
5	Inventory turnover ratio	Revenue from operations	Average inventory	5.50	4.43	24.37%	
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.84	5.89	15.97%	



7	Trade payables turnover ratio	Cost of goods sold	Average trade payable	0.72	0.69	4.32%	-
8	Net capital turnover ratio	Revenue from operations	Working capital	121.69	(782.52)	-115.55%	Improved ratio is primarily on account of increase in working capital.
9	Net profit ratio	Profit after tax	Revenue from operations	0.0141	0.0097	45.27%	More remunerative sales mix has contributed to improved net profit margin.
10	Return on capital employed	Profit before interest and tax	Capital employed	0.07	0.06	16.95%	-
11	Return on investment				NA		

**34 Note 34**  
**ADDITIONAL REGULATORY REQUIREMENTS SCHEDULE III:**

- 34.1 The Company do not have any Benami property, and does not have any proceeding initiated or pending for holding any Benami property under Benami Transactions (Prohibition) Act 1988, (45 of 1988).
- 34.2 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 34.3 The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- 34.4 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:
- 34.4.1 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Ultimate Beneficiaries.
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 34.5 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 Group 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.
- 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".
- 34.6 or survey or any other relevant provisions of the Income Tax Act, 1961".
- 34.7 The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve bank of India.
- 34.8 All Immovable properties are held in the name of the Company.
- 34.9 The Company does not have any transactions with Companies which are struck off.
- 34.10 The quarterly returns or statements of current assets filed by the Company with bank or financial institutions are in agreement with the books of accounts except are as under:-

Quarter Ending	Particulars	Amount as per books of accounts	Amount reported in quarterly statement	Variance	Reason for Variance
June, 2021	Current Assets	13,288.00	15,316.00	(2,028.00)	Discrepancies noticed are explained below: a) Because of provisional figures reported to banks earlier to closer of quarterly books of accounts. b) Other difference on account of major unadjusted advances reflecting in current liabilities submitted with the banks. c) Other reconciling difference is on account of inclusion of creditors for capital goods in current liabilities in the statements submitted.
	Current Liabilities	12,315.00	15,455.00	(3,140.00)	
September, 2021	Current Assets	6,475.00	6,901.00	(426.00)	
	Current Liabilities	5,377.00	5,860.00	(483.00)	
December, 2021	Current Assets	7,180.00	9,971.00	(2,791.00)	
	Current Liabilities	7,814.00	10,602.00	(2,788.00)	
March, 2022	Current Assets	9,656.00	10,534.00	(878.00)	
	Current Liabilities	9,421.00	8,511.00	910.00	

- 35 Note 35**  
Pervious period figures have been regrouped/ rearranged whenever necessary, to conform to current period's classification in order to comply with the requirements of amended Schedule III (Division I) to the Companies Act, 2013 effective from 01st April, 2021.

As per our report of even date

For NILESH JAIN & ASSOCIATES  
Chartered Accountants  
(Firm Registration No.016939C)

(Nilesh Kumar Jain)  
Partner  
(Membership No.418488)



For and on behalf of the Board of Directors

Gopal Agrawal  
Whole Time Director  
DIN: 00840188  
Rohit Singi  
Chief Financial Officer

Ranjan Tiberwal  
Director  
DIN: 01786410  
Pravendra Kumar Pal  
Company Secretary



**Mount Everest Breweries Limited**

**Related Party Transactions**

**Summary of transaction with the related parties 2021-22**

SN.	Name	Remuneration	Rent Exp	Interest Paid	Loan Given	Sitting Fees	Advance Taken	Total	Relation
1	Mr. Anand Kumar Kedia	36,16,803	1,50,000					37,66,803	KMP
2	Mr. Prasann Kumar Kedia	36,16,803	1,50,000					37,66,803	KMP
3	M/s Bhagwati Prasad Kedia (HUF)		3,60,000					3,60,000	Relative
4	Mrs. Ram Dulari Kedia		60,000					60,000	Relative
5	Mrs. Sangita Kedia	18,16,803						18,16,803	Relative
6	Mrs. Shweta Kedia	18,16,803						18,16,803	Relative
7	Mr. Anshuman Kedia	18,16,803						18,16,803	Relative
8	Mrs. Ravisha Sanghi							-	Relative
9	Mr. Vedant Kedia	18,16,803						18,16,803	Relative
10	Mr. Gopal Agarwal	4,33,836						4,33,836	KMP
11	Mr. Ranjan Tiberwal							-	KMP
12	Mr. Sanjeev Tulsyan							-	KMP
13	Mr. Pravendra Pal	5,89,758						5,89,758	CS
14	Mr. Rohit Singi	20,37,450						20,37,450	CFO
15	Ms.Aadya Kedia	2,25,000						2,25,000	Relative

Closing balance as on 31.3.2022		Balance
1	Mr. Anand Kumar Kedia	25,83,642.00
2	Mr. Prasann Kumar Kedia	
3	M/s Bhagwati Prasad Kedia (HUF)	
4	Mrs. Ram Dulari Kedia	
5	Mrs. Sangita Kedia	
6	Mrs. Shweta Kedia	1,54,000.00
7	Mr. Anshuman Kedia	10,75,516.00
8	Mrs. Ravisha Sanghi	
9	Mr. Vedant Kedia	48,618.93
10	Mr. Gopal Agarwal	
11	Mr. Ranjan Tiberwal	
12	Mr. Sanjeev Tulsyan	
13	Mr. Pravendra Pal	
14	Mr. Rohit Singi	
	<b>Total</b>	<b>38,61,776.93</b>



**MOUNT EVEREST BREWERIES LIMITED****FIXED ASSETS**

S.N.	NAME OF THE ASSETS	RATE OF DEP. %	W.D.V AS ON	ADDITION		SALES DURING THE YEAR	TOTAL	DEPRECIATION	W.D.V AS ON
			01.04.2021	180 DAYS	OTHER				31.03.2022
1	F. BUILDING	10.00	15,90,79,507	-	1,05,73,802	-	16,96,53,309	1,64,36,641	15,32,16,668
2	PLANT & MACHINERY	15.00	43,20,13,919	37,38,805	12,39,84,920	-	55,97,37,644	8,78,08,030.51	47,19,29,613
3	VEHICLES	15.00	1,47,35,362	-	10,42,988	-	1,57,78,350	22,88,528	1,34,89,822
4	FURNITURE & FIXTURE	10.00	23,31,371	19,721	16,816	-	23,67,908	2,35,950	21,31,958
5	OFFICE EQUIPMENTS	10.00	22,18,677	-	1,75,490	-	23,94,167	2,30,642	21,63,525
6	COMPUTER	40.00	11,31,734	53,548	-	-	11,85,282	4,74,113	7,11,169
<b>TOTAL</b>			<b>61,15,10,570</b>	<b>38,12,074</b>	<b>13,57,94,016</b>	<b>-</b>	<b>75,11,16,660</b>	<b>10,74,73,905</b>	<b>64,36,42,755</b>
PREVIOUS YEAR			<b>58,45,58,093</b>	<b>2,88,46,022</b>	<b>10,50,14,010</b>	<b>-</b>	<b>71,84,18,125</b>	<b>10,69,07,557</b>	<b>61,15,10,569</b>



**MOUNT EVEREST BREWERIES LIMITED**  
**Calculation of Deferred Tax as on 31.03.2022**

<b>(A) Deferred Tax Liabilities</b>	<b>31.03.2021</b>	<b>31.03.2022</b>	<b>Creation/Reversal During FY-22</b>
1 WDV as per IT Act	61,15,10,569	64,36,42,755	
LESS:WDV as per Companies Act	92,03,92,734	98,24,69,512	
Deferred Tax Liability @ 27.82%	8,59,31,018	9,42,61,960	83,30,941
2 Provision for Gratuity	-	-	-
<b>Total</b>	<b>8,59,31,018</b>	<b>9,42,61,960</b>	<b>83,30,941</b>
<b>(B) Deffered Tax Asset</b>			
1 Provision for Leave Encashment	6,90,202	8,92,604	2,02,402
2 Provision for Gratuity	13,08,816	5,04,355	(8,04,461)
3 Provision for Bonus	-	-	-
<b>Total</b>	<b>19,99,018</b>	<b>13,96,960</b>	<b>(6,02,059)</b>
<b>Net Movement in Deferred Tax (Asset)/Liabilities during the FY22</b>	<b>8,39,32,000</b>	<b>9,28,65,000</b>	<b>89,33,000</b>

