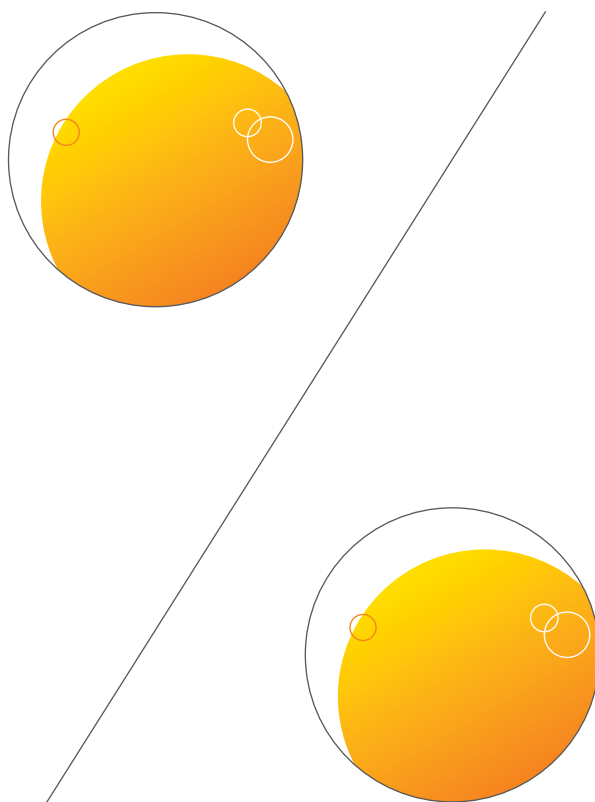


ASSOCIATED ALCOHOLS & BREWERIES LIMITED  
33RD ANNUAL REPORT 2021-22



# CONSOLIDATING OUR BUSINESS

SUSTAINING OUR ROBUST FOUNDATION

## Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions.

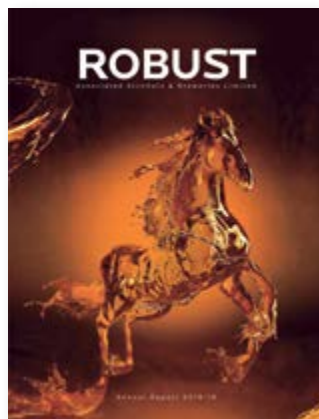
We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

2017-18



2018-19



2019-20



2020-21



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# CONSOLIDATING OUR BUSINESS

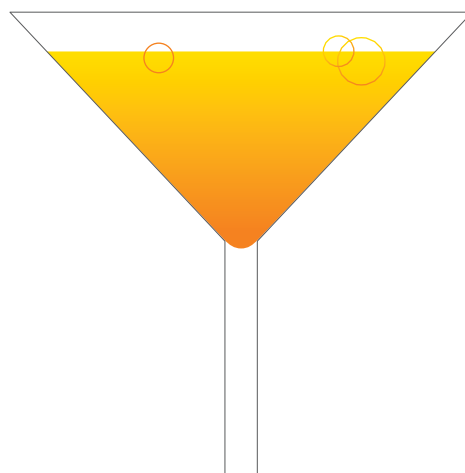
Associated Alcohols & Breweries Limited has transformed attractively in the last few years.

The Company expanded the capacity to manufacture extra neutral alcohol and branded liquor products

The Company deepened relationships with principals to manufacture and market their products within specified geographies.

The Company grew its own portfolio of liquor brands, strengthening its value-addition.

The Company is engaged in consolidating its business with the objective to secure its foundation.





## CORPORATE SNAPSHOT

Associated Alcohols & Breweries Limited is an attractive proxy of the growth coming out of India's liquor sector.

The Company is one of India's largest manufacturers of raw material ENA that is consumed in the production of liquor.

The Company is engaged in the marketing of liquor brands (proprietary and licensed).

The Company intends to extend to the manufacture of grain-led ethanol to capitalise on the GOI (Government of India) Ethanol Blending Policy.

## OUR ETHOS

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### Vision

To be a pioneer in liquor manufacturing, distillation and bottling in India and to further strengthen the foothold in the liquor industry as one of the most reputed manufacturing and marketing Company

### Mission

Associated Alcohols & Breweries Limited undertakes to dedicate itself and all its resources to achieving global excellence in the present sectors of operations and seeking growth

### Values

- To cultivate the highest standards of professionalism, fairness and total customer satisfaction in all our transactions and dealings.
- To create a profound and everlasting impact on our customers through commitment and sincerity.
- To continue the ongoing journey towards honesty, sincerity and integrity with all our stakeholders.
- To spread our wings all across the country and play a dominant role in the liquor industry in India.

## Background

The Company was founded by the late Mr. Bhagwati Prasad Kedia in 1989. Associated Alcohols & Breweries Limited is the flagship company of the Associated Kedia Group, which is involved in liquor manufacture and bottling. The Company assumed the distillery operations of the promoter group and extended to the manufacture of premium liquor products.

## Promoters

The promoters of the Company possess more than three decades of experience. The promoters comprise Mr. Anand Kumar Kedia and Mr. Prasann Kumar Kedia.

## Market presence

The Company is one of the largest distillers in India with a geographic presence in five States. The Company's principal revenues are derived from Madhya Pradesh and Kerala.

## Products

The Company's product range comprises:

- Premium extra neutral alcohol / grain-based spirit
- Indian made Indian liquor (IMIL)
- Indian made foreign liquor (IMFL)
- Rectified spirit
- Contract manufacturing partner (for Diageo – USL)

## Clients

- Diageo / United Spirits Limited
- Government-regulated retail contractors/agencies (both IMFL and IMIL)
- Kerala State Beverages Corporation
- Chhattisgarh State Beverage Corporation

## Licensed brands/ franchised brands

- Bagpiper Deluxe Whisky
- Directors Special Whisky
- Flavoured White Mischief
- Director's Special Gold Whisky
- McDowell's No. 1 XXX Rum.

## Proprietary products

- Central Province Whisky
- Titanium Triple Distilled Vodka
- James McGill Whisky
- Jamaican Magic Rum
- Super Man Series
- Bombay Special Series

## Contracted manufacturing brands

- Black Dog Scotch Whisky
- VAT 69 Scotch Whisky
- Smirnoff Vodka
- Black & White Scotch Whisky

## Facilities

The Company's state-of-the-art manufacturing facility is located in Khodigram (Barwaha district, Khargone, Madhya Pradesh) and responsible for alcohol production, bottling and packaging liquor. The corporate office is located in Indore.

## Expansion

The Company possessed ENA manufacturing capacity of 45 mn litres per annum (MLPA) as on 31st March, 2022. The Phase II is expected to expand capacity to 75 MLPA will add-on ethanol production.

## Credit rating

CARE provided A-/ A2+ credit rating to the Company for bank borrowings.

45

(mn litres) ENA  
manufacturing capacity  
as on 31st March,  
2022

32

Bottling lines

12.5

(mn) bottling capacity as  
on 31st March, 2022



# MILESTONES

---



1989

Incorporated as a public limited company



1990

Commenced the manufacturing and marketing of potable alcohols



1995

Modernizes and expanded the distillery



2017

Embarked on an ambitious expansion project from 31.4 MLPA to 45 MLPA

---



# 2012

Revamped manufacturing facilities and processes as per prevailing requirements



# 2015

Created a completely integrated system including the implementation of SAP-ERP



# 2016

Issued bonus shares in the ratio of 1:1



# 2018

Completed the 45 MLPA ENA expansion (Phase I) project



# 2019

Operated the expanded ENA capacity for the first full year  
Listed on National Stock Exchange



# 2020

Exported ENA to one of the world's most respected vodka manufacturers in Europe



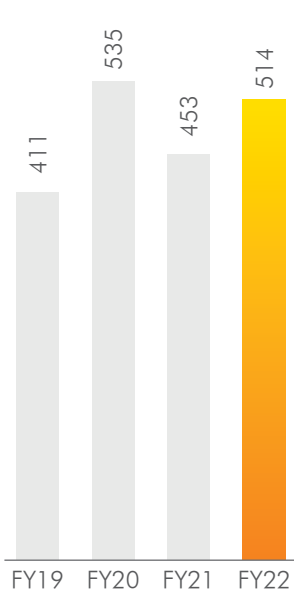
# 2021

Announced Project Expansion of Phase-II to 75 MLPA



# HOW WE GREW ATTRACTIVELY IN THE LAST FEW YEARS

## Revenues (₹ Crore)



### Definition

Growth in sales net of taxes and GST

### Why is this measured?

It is an index that showcases the Company's ability to maximise offtake and enhance revenues

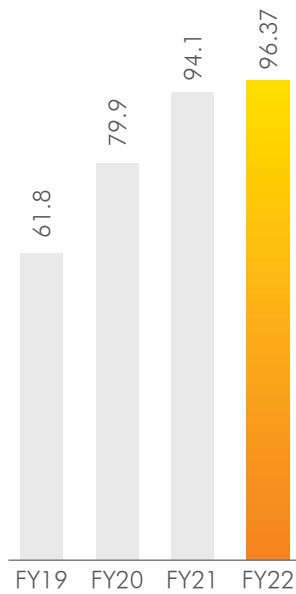
### What does it mean?

Aggregate sales increased 13% to ₹514 Crore in FY 2021-22

### Value impact

The Company performed better than the sectorial average

## EBITDA (₹ Crore)



### Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

### Why is this measured?

It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

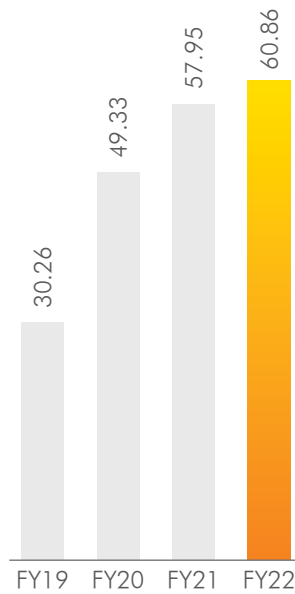
### What does it mean?

This helps create a robust growth engine and sustain profits.

### Value impact

The Company reported a 1% EBITDA decline due to a sharp increase in raw material costs

## Net profit (₹ Crore)



### Definition

Profit earned during the year after deducting all expenses and provisions

### Why is this measured?

This measure highlights the strength of the business model in enhancing shareholder value.

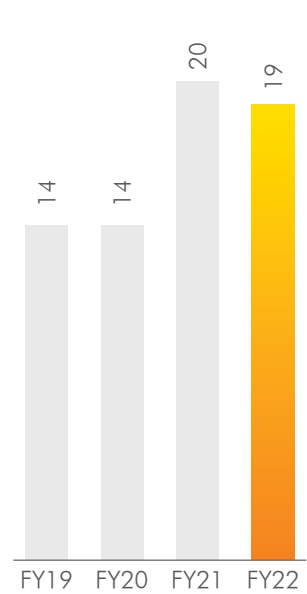
### What does it mean?

Ensures that adequate surplus is available for reinvestment.

### Value impact

The Company reported a nominal 5% increase in net profit in FY 2021-22 due to resource inflation.

## EBIDTA margin (%)



### Definition

EBIDTA margin is a profitability ratio used to measure a Company's pricing strategy and operating efficiency

### Why is this measured?

The EBIDTA margin provides a perspective of how much a Company earns (before accounting for interest and taxes) on each rupee of sales.

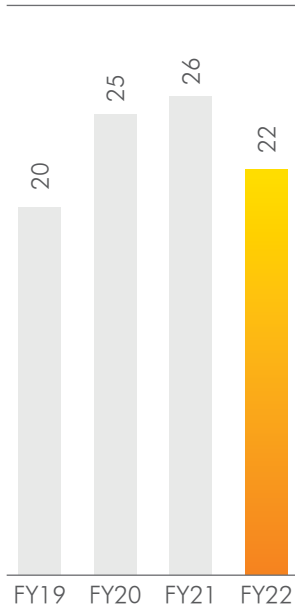
### What does it mean?

This demonstrates adequate buffer in the business expressed as a percentage, which, when multiplied by scale, enhances surpluses.

### Value impact

The Company reported a 100 bps decline in EBIDTA margin in FY 2021-22 following an increase in costs that could not be passed on to consumers.



**RoE (%)****Definition**

It is a financial ratio that measures a Company's profitability and the efficiency with which its capital is employed in the business

**Why is this measured?**

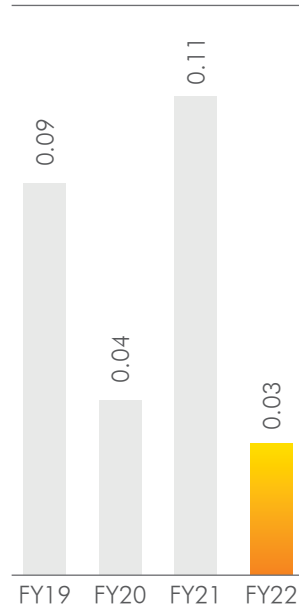
RoE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

**What does it mean?**

Enhanced RoE can potentially drive valuations and perception.

**Value impact**

The Company reported a 400 bps decline in RoE during FY 2021-22.

**Gearing (x)****Definition**

This is derived through the ratio of debt to net worth (less revaluation reserves)

**Why is this measured?**

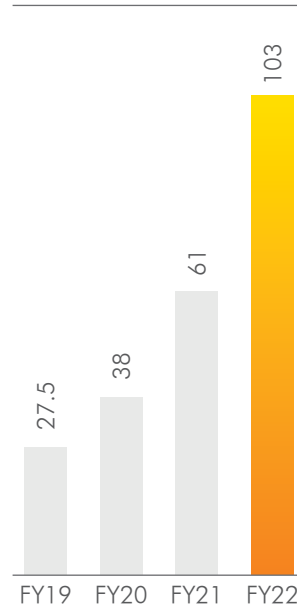
This is one of the defining measures of a Company's financial solvency.

**What does it mean?**

This measure enhances a perception of the borrowing room within the Company, the lower the gearing the better.

**Value impact**

The Company's gearing improved on account of debt repayment and increased net worth, making it virtually debt-free.

**Interest cover (x)****Definition**

This is derived through the division of EBIDTA by interest outflow

**Why is this measured?**

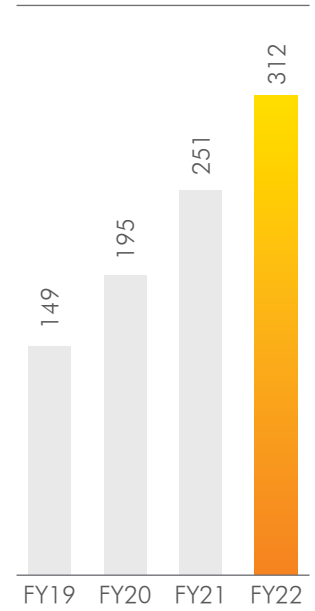
Interest cover indicates the Company's comfort in servicing interest – the higher the better.

**What does it mean?**

This indicates a company's ability to meet its interest obligations, an aspect of its solvency; it is arguably one of the most important factors in assuring sizeable returns to shareholders.

**Value impact**

The Company's interest cover increased on account of nominal interest outflow.

**Net worth (₹ Crore)****Definition**

This is derived through the accretion of shareholder-owned funds

**Why is this measured?**

Net worth indicates the financial soundness of the Company – the higher the better.

**What does it mean?**

This indicates the borrowing capacity of the Company and influences the gearing (which in turn influenced the cost at which the Company can mobilise debt).

**Value impact**

The Company's net worth strengthened 24% during the year.



OVERVIEW

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# LETTER TO SHAREHOLDERS



### Dear shareholder,

The year 2021-22 again proved challenging for the Company and consumer. The Covid-19 pandemic affected our capacity to increase offtake during the first two months of the last financial year.

The pandemic did not only affect our capacity to market more; it also affected the speed of the proposed capital expenditure to commission additional ethanol capacity.

The other factor that underscored the Company's performance in FY 2021-22 was inflation. There was a sharp increase in the cost of grain during the last financial year.

The cost of maize appreciated by 52%, corn by 32% and rice by 16%. By the close of the year under review, maize was quoted at 90% of its annual peak, corn at 95% and rice at 96%, indicating that the increases were likely to spill over into the current year. The sharp increase in grain costs affected our ability to procure cost-effectively. This was aggravated by an increase in PET resin and coal costs that increased the incidence of packaging and resource costs for our company. Besides, the increase could not be passed on to consumers through higher sticker prices. The result was a contraction in the Company's margins and surplus.

Revenue from operations increased from ₹453 Crores to ₹514 Crores but Net Profit increased from ₹58 Crore to

₹61 Crore. This was corresponded by a decline in EBIDTA margin that moderated 125 bps to 18.75% during the last financial year.

The Company's expansion cum diversification project into the manufacture of ENA was delayed during the last financial year. As a measure of prudent caution, the Company deferred capital expenditure into the current financial year, as a result of which the ethanol capacity is likely to be commissioned by the end of the current financial year. When complete, the aggregate ENA capacity will increase from 4.5 Crore litres per annum to 7.5 Crore litres per annum with a flexibility to produce ethanol with a completely new 3 Crore litres Ethanol Capacity plant.

I would like to take this opportunity to express my gratitude to our Board of Directors, the management team and all our employees for their commitment and dedication to our organization, especially during this unprecedented crisis. Most importantly, I would like to thank our shareholders, customers and suppliers, for the overwhelming trust, support and confidence.

We remain committed to strengthening our business sustainability, address our environmental obligations and enhance stakeholder value.

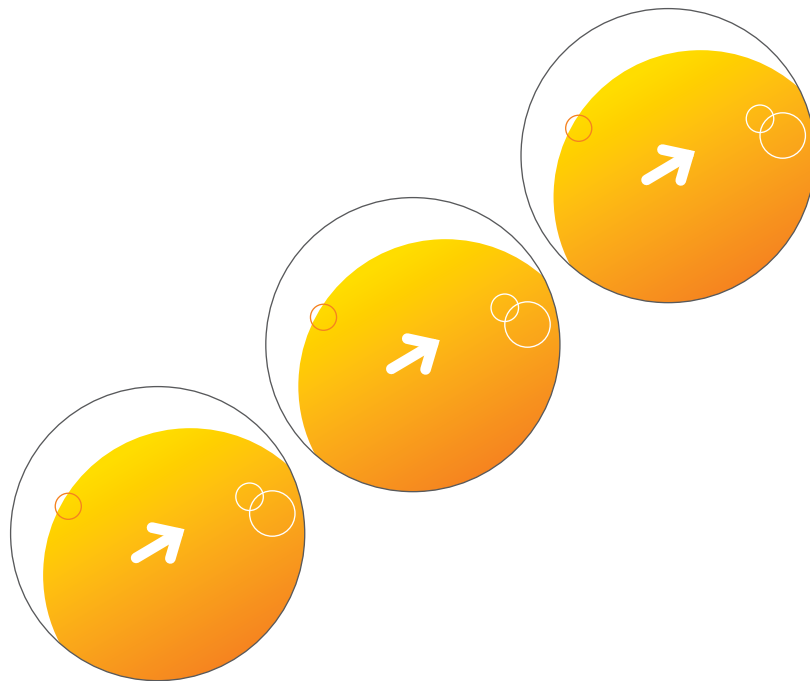
**Tushar Bhandari,**  
Whole Time Director



SECTORIAL OVERVIEW

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WE CONTINUE TO BELIEVE THAT  
INDIA'S LIQUOR SECTOR IS AT  
THE CUSP OF DISPROPORTIONATE  
DEMAND GROWTH



## Overview

Our sectorial optimism is based not as much on the annual sales growth reported by the sector in the various social changes that we see around us.

Liquor is no longer the 'bad product' that attracted stigma and infamy; its consumption is now being seen as an antidote to stress, fatigue, monotony and social distance. This sentiment is likely to deepen, providing a large headroom for the sector's growth.

Liquor is no longer a metaphor of all the ills of the world. It is now being associated with enjoyment and celebration, extending into private, intimate and domestic menus. The result is that get-togethers are no longer seen as binding, fun or cohesive without liquor and the capacity to hold one's drink is being as a social competence.

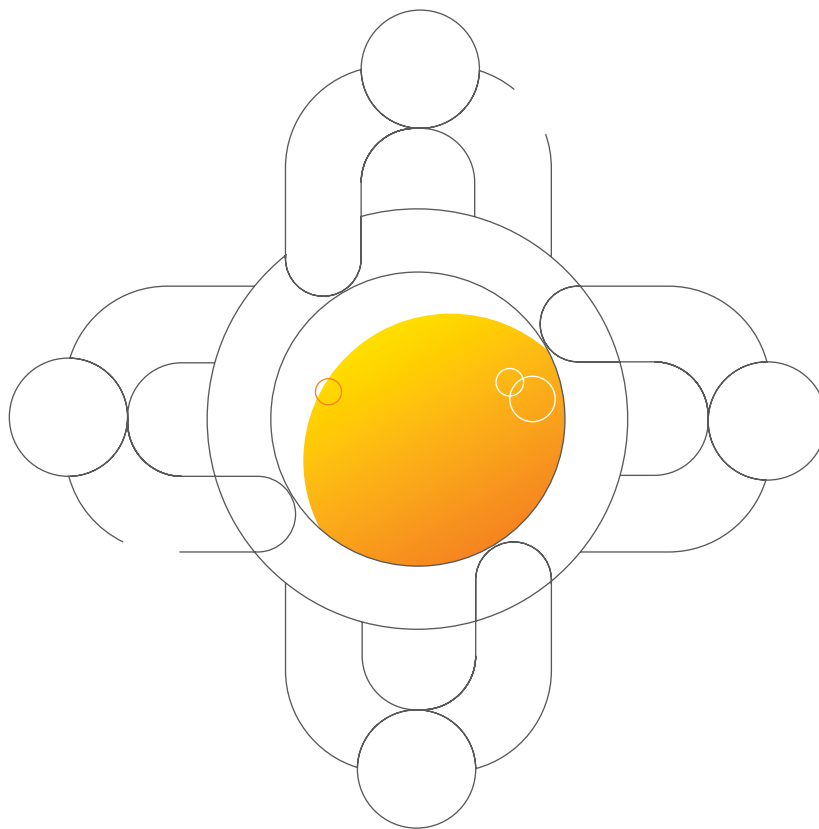
There has been a consistent increase in the incidence of women drinkers. There is a greater incidence of women who consume liquor confidently and consciously, with a preference for specific brands and products.

Besides, in States that have not prohibited liquor consumption, a large part of the local economy is sustained by taxes from liquor sale, which ensures that state-run utilities remain affordable.

Associated Alcohols & Breweries Limited expects to capitalize on this irreversible trend through a growing presence in resource manufacture (ENA and ethanol) and downstream manufacture cum marketing of branded liquor products.



# THE LONG-TERM FUNDAMENTALS OF INDIA'S LIQUOR SECTOR



## Overview

At AABL, we are optimistic of our prospects for various reasons.

At the head of the list is growing affluence. In 2000, only 30% of India's population enjoyed an annual family income of ₹2.5 Lakh to ₹25 Lakh; this is expected to rise to 78% by 2030.

This affluent has translated into sustained market growth. India's alco-beverage industry grew 8% by volume between 2006 and 2018, recording a consumption decline in only one in 12 years ending 2018. Correspondingly, annual per capita consumption of pure alcohol in India increased from 0.9 Litres in 2000 to 3 Litres in 2015.

The industry grew 11% CAGR by value during the same period, with no consumption decline in 12 years ending 2018.

There was a 3% CAGR growth in the minimum retail price per litre between 2006 and 2018; realisations declined in only one of 12 years ending 2018.

There is a distinctive trend towards premiumization. Some 11% of alco-beverage industry sales of whisky brands were priced above ₹1,500 in 2014; this increased to 12% three years later, on a larger sales base. Correspondingly, there was a decline

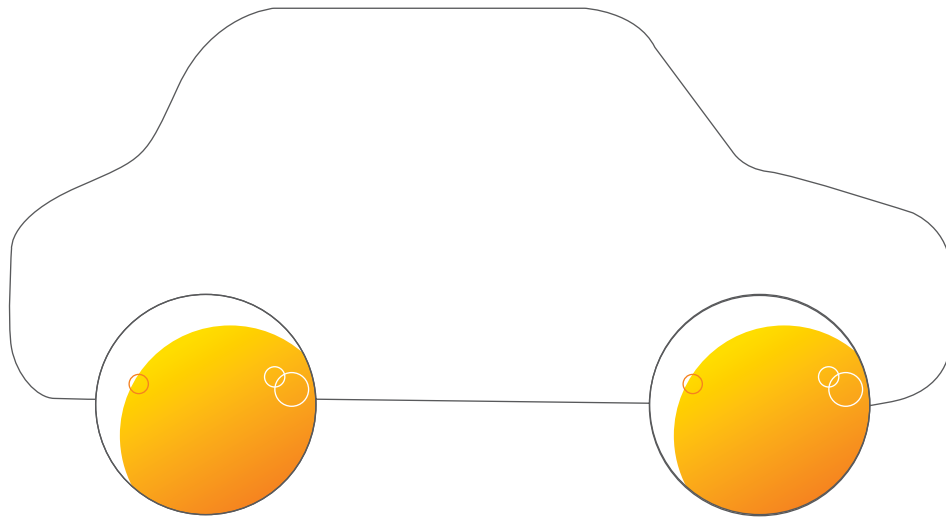
in low-priced consumption: from 49% of alco-beverage industry sales of whisky brands less than ₹500 in 2014 to 44% in 2017. Beer and IMFL accounted for 51% alco-beverage industry sales in 2019, projected to grow to 59% in 2022.

What excites us is that a large 30%(approximately) of the Indian population is yet to come to legal drinking age, which is a 40 Crore population opportunity, the size of number of countries put together. Besides, purchase has become easier with the introduction of e-commerce that has enhanced privacy. There were 30,314 pubs and bars in India (on-trade establishments) in 2012, which increased to 34,768 in 2017. The number of women working commercially for a living in India was 98.7 mn in 2012, which increased to 112.6 mn in 2018. Besides, urbanisation is expected to add 500 bps to the proportion of India's population (40%) that is urban by 2030.

We believe that these realities will enhance India's rank in terms of per capita alcoholic beverages consumption in the world from 101 across the foreseeable future, strengthening our prospects.



# AABL IS POISED TO CAPITALIZE ON THE GROWING ETHANOL OPPORTUNITY IN INDIA





## Overview

AABL intends to capitalise on the landmark Ethanol Blending Policy by utilising starch-rich grain to manufacture ethanol. The Company's proposed capacity flexibility will make it possible to shift from one ethanol to ENA (and back) based on market realisations and corresponding profitability.

The Company's ₹120 Crore expansion will focus on the manufacture of ethanol (including power capacity), de-risking it from an excessive dependence on one product or sector. Besides, the Indian government has provided concessional debt, extended repayment tenure, assured ethanol buyback and attractive remuneration.

AABL is attractively placed to capitalize by the virtue of its locational advantage and access to one of the largest grain baskets in India. The Company is located in the most advantageous location in India for the long-term manufacture of ENA, equidistant to the rapidly growing liquor consuming markets of North, South, East and West India. The location is at least 800 kms closer to South India than grain-based ENA providers in North India. The Company enjoys an access to the rice bowl of Chattisgarh, jawar-abundant Madhya Pradesh and Maharashtra (addressing 70% of the Company's annual grain appetite by volume) and

moderating inward logistics to among the lowest for large ENA manufacturers in India. The Company's multi-year engagements with trade intermediaries have ensured the Company has never encountered a non-availability in grain feedstock.

The Company accesses most of its grain from within a radius of 400 kms. It has shifted from one grain type to another following sharp price movements, protecting its profitability. It possesses strong fundamentals to procure grain when abundantly available at the lowest cost in specific seasons. Its storage capacity makes it possible to sustain the business during periods of surplus grain deficit and await market normalization.

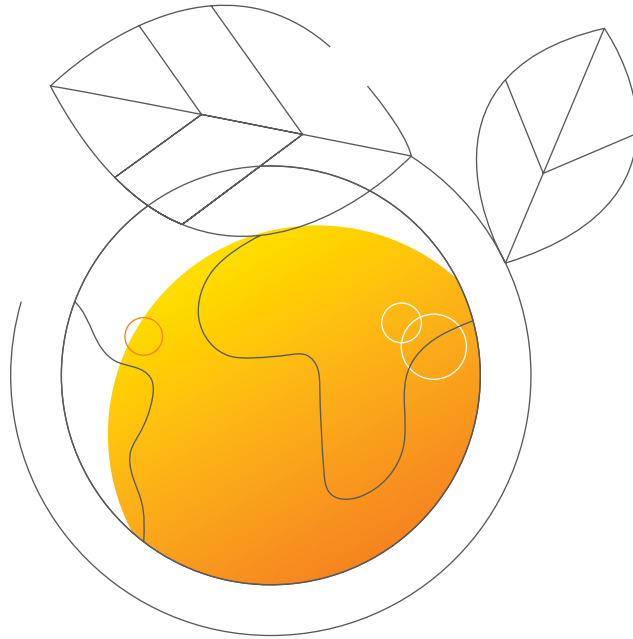
AABL's access to a wide grain basket makes it possible for it to explore price arbitrage opportunities with the objective to moderate costs. Its scale - among the three largest grain-based ENA plants in India - generates one of the most attractive manufacturing economies. It strengthened its technology to generate additional end product from a given resource, strengthening its capacity to generate more from less. Its captive power generation (4MW) addresses nearly 60% of the Company's requirements and likely to increase to 100% on the expanded capacity.

## AABL's proximate access to various grain types





# AABL IS RESPECTED FOR ITS RESPONSIBLE ESG RECORD



AABL's environment-social-governance (ESG) represents the heart of its business.

- The E in ESG, environmental criteria, includes the energy the Company takes in and the waste it discharges, the resources it needs, and the consequences for living beings. E also encompasses carbon emissions and climate change.
- The S in ESG, social criteria, addresses the relationships your company has and the reputation it fosters with people and

institutions in the communities where it does business. S includes labour relations, diversity and inclusion. Every company operates within a broader, diverse society.

- The G in ESG, governance, is the internal system of practices, controls and procedures your company adopts to govern itself, make effective decisions, comply with the law and meet the needs

of external stakeholders. Every company, which is itself a legal creation, requires governance.

The combination – environment, social and governance – provides a platform for doing the right things the right way leading to secure, scalable and sustainable long-term growth.

### Our Environment commitment

There is a growing commitment to environmental management systems, conduct environmental due diligence and build disaster planning & response systems across our manufacturing facility. The Company achieved zero effluent discharge targets while moderating water consumption intensity through recycling. It strengthened an audit-driven and compliance-driven approach, enhancing the credibility of reported numbers.

### Our Social commitment

**Employees:** AABL invested in recruitment, retention and training to enhance efficiency and effectiveness. It invested in practices with enhanced safety – training, protocols, certifications, investment in supports and awareness-building.

**Customers and vendors:** AABL deepened relationships with vendors who provided capital equipment and spares as well as with primary customers (trade partners). Given the diverse nature of material, the Company selected to work with a range of resource providers.

**Community:** The Company engaged with the community around its manufacturing location with the objective to widen the circle of prosperity through relevant interventions in line with Sustainable Development Goals.

### Our Governance commitment

**Singular focus:** The Company is a liquor solutions provider focused on business excellence

**Controlled growth:** The Company is engaged in investments in assets and projects with short-term paybacks

**Board of Directors:** The Company's Board comprising professionals and industrialists who provide the Company strategic direction

**Discipline:** The Company emphasises accountability, professional management, checks and balances, technology investments and audit-driven cum compliances

**Environment:** The Company enjoys a clean effluents management record, derived from proactive investments in equipment, protocols and training

**Broadbased:** The Company graduated from the manufacture of ENA to contract liquor manufacturing to proprietary manufacture and marketing of licensed brands, broadbasing revenues

**Scale:** The Company is one of the largest grain-based ENA makers in India, expanding at a capital cost / litre lower than greenfield benchmarks

**Accruals-driven:** The Company is likely to remain zero-debt as it invests accruals in capacity growth.

**Responsibility:** The Company's business model is ESG-compliant and extensively de-risked

**Flexibility:** The Company's multi-feedstock plant makes it possible to shift from one grain type to another based on marketplace dynamics.

**Production integration:** In 2021-22, the Company's proprietary ENA consumption appetite was 45% of its requirement, which is likely to increase.

**Headroom:** The Company possesses 125 acres at its manufacturing location, empowering it to grow sustainably thus achieving better economies.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Global economic overview

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This recovery is attributed to accelerated vaccine rollout across 4.4 bn people. However, the global economy was affected by prohibitive shipping freight rates, and a shortage of shipping containers and semiconductor chips in 2021.

Inflation was at its highest since 2011, especially in the advanced economies. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, food grains, fertilisers and gold. The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis.

Regional growth %	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

## Indian economic overview

India's GDP rebounded from a de-growth of 7.3% in FY 2020-21 to a growth of 8.7% in FY 2021-22, the fastest among major economies.

### Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

There were positive features of the Indian economy during the year under review.

The value of goods exported from India delivered 40% growth to a record \$417.8 bn during FY 2021-22, surpassing the government's target by 5%. Foreign direct investments increased 15% to US\$74.01 bn in 2021. The government approved 100% FDI for insurance intermediaries and increased the FDI limit in the insurance sector from 49% to 74% in Union Budget 2021-22. India raised over ₹97,000 Crore through asset monetisation, which was higher than the target.

India was the largest recipient of global remittances. India's foreign exchange reserves stood at an all-time high of USD 642.45 bn as of 3rd September, 2021.

India's bank loan growth was 11.20% during the year under review, partly reflecting the low base effect of the

previous year. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY 2021-22, peaking at ₹1.42 Lakh Crore in March 2022.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 Crore in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of \$3.21 trn in March 2022.

India's per capita income was estimated to have increased 16.28% from ₹1.29 Lakh in FY 2020-21 to ₹1.50 Lakh in FY 2021-22.

India's tax collections increased to a record ₹27.07 Lakh Crore in FY 2021-22, higher than the budgeted ₹22.17 Lakh Crore. India's tax-to-GDP ratio jumped from 10.3% in FY21 to 11.7% in

FY22, the highest since 1999.

However, retail inflation in March 2022 at 6.95% was above the RBI's tolerance level of 6% and at a 17-month high. The fiscal deficit was estimated at ~₹15.91 trn for the year ending 31st March, 2022, on account of a higher government expenditure during the year under review.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

### Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the next 25 years. The government is emphasizing the role of PM GatiShakti, Inclusive Development, Productivity

Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 Lakh Crore to ₹7.50 Lakh Crore. An announcement of nearly ₹20,000 Crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for the national highways network in

FY 2022-23. An allocation of ₹2.37 Lakh Crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 Lakh Crore was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

#### Outlook

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trn. Besides, the government's

production linked incentives (PLI)-led capital expenditure should generate an incremental ₹1.4 trn in sectors like consumer durables, pharmaceuticals and automobiles. A multi-year revival in capital investments comprises USD 500 bn investments projected for the wind and solar infrastructure, energy storage and grid expansion segments. The Indian economy is projected to grow by 8% in FY23 (World Bank estimate).

### Global alcoholic beverage industry overview

The global alcoholic beverages market reached a value of around US\$ 1,516.5 bn in 2021. The market is expected to reach US\$ 1,756.3 bn by 2027, growing at a CAGR of 2.7% between 2022 and 2027. The alcoholic beverage

market comprises beer, wine, and spirits. Beer is a wide-ranging segment with a market volume of around US\$643. bn in 2022. Globally, much of the revenue is generated from China (around US\$331.1bn). The Covid-19 pandemic

altered drinking patterns and created opportunities for the alcohol e-commerce industry. (Source: Statista, IMARC Group, Food and Wine)

### Indian alcoholic beverages market overview

India's alcoholic beverage market is growing with an estimated market size of USD 52.5 dollars (about ₹3.9 Lakh Crore) and anticipated to grow at a CAGR of 7.29% till 2025. Spirits represent the largest segment of this industry with a market volume of US\$ 35,370 mn in 2022. The average volume per person was estimated at

9.23 litres. Revenue generated through this segment in India amounts to US\$ 51,450.00 mn in 2022.

Growing consumption of alcohol by the young generation as well as rising disposable income is catalysing growth. Rapid urbanisation, changing consumer preferences and increased

purchasing power have contributed towards increased demand for alcoholic beverages. The industry is divided into three categories Indian Manufactured Foreign Liquor (IMFL), beer and homemade liquor. India has the largest whiskey industry in the world. (Source: Statista, Amritt Ventures)

### Indian whisky segment overview

The India whiskey market is expected to grow at a CAGR of 17% to reach 2.82 bn litres by 2026. Revenue generated in the whisky segment amounted to around US\$18.83 bn in 2022. The average volume per person was expected at 2.64 litres in 2022.

There is an increase in economic development achieved by India, which empowers Indian consumers with stronger purchasing power. Although wine consumption in India is low, the incidence of women drinking, young population, changing lifestyles and

urbanisation are driving the demand for alcoholic beverages. (Source: Statista, Expert Market Research)



## Global beer market

The global beer market size reached approximately US\$ 640.2 bn in 2021. It is expected that the market will reach US\$ 750.3 bn by 2027 at a CAGR of

2.7% during 2022-2027. The alcohol content in beer generally ranges from less than 3% to 40% by volume (ABV), depending on the style and recipe of the

formulation. The average volume per person in the beer segment is expected to be around 24.69 litres in 2022. (Source – IMARC Group, Statista)

## India beer market

The value of India beer market was approximately ₹371 bn in 2020 and expected to reach around ₹662 bn by 2026, increasing at a CAGR of about 9.2% during 2022-2027. As its alcohol content is the lowest, consumers are

shifting towards beer. Increase in the consumption of beer is attributed to a change in the lifestyle of consumers, growing popularity of beer among the young population, rise in disposable incomes and rapid urbanisation. Per

capita beer consumption in 2020 was 2 litres per annum. (Source – Expert Market Research)

## Indian extra neutral alcohol market

The Extra Neutral Alcohol (ENA) market in India is projected to grow at a CAGR of 4.4% during 2021-2026. In India, annual production capacity of ENA accounts for nearly 3 bn litres. It is the primary raw material for producing

alcoholic beverages. It typically contains 96% of alcohol by volume.

The increasing production and consumption of potable alcohol, which is produced from ENA in India, is fuelled by increased consumer disposable incomes,

rising western influence, changing attitudes toward drinking and significant shift from country liquor to Indian Made Foreign Liquor (IMFL).

(Source: IMARC Group, Business Wire)

## Indian spirits segment overview

The market size of India's spirit segment is expected to grow annually by 5.33% (CAGR 2022-2025). The average volume per person is expected to amount

to 5.4 L in 2022. The spirit market is considered one of the largest in India. Whisky constitutes the largest Indian spirits industry, with a share of 60%

in terms of volume. (Source: Statista, Drinktec)

## Indian made foreign liquor segment overview

The Indian made foreign liquor segment constituted 65% in terms of valuation in the Indian liquor industry. This segment is divided into whisky, rum, brandy, vodka and gin. This segment is estimated to

grow more than ₹3,000 Bn by 2026, expanding at a CAGR of 5.2%. The highest selling IMFL is whisky, and spirits are the fastest expanding segment. Moreover, Indian youngsters prefer

vodka over other alcoholic beverages. Rapid urbanisation, coupled with an increase in disposable income, is the major growth drivers of IMFL segment. (Source: Future Market Insights)

## Indian made Indian liquor segment overview

Indian made Indian liquor, also known as 'country liquor', is a type of alcoholic beverage containing approximately 30% alcohol and produced locally. Arrack, is a type of Indian liquor, prepared

from sugarcane, coconut and preferred by blue-collar and lower-middle-class workers. Another type of Indian liquor is Feni, produced mainly in Goa, containing approximately 42-45%

alcohol, and produced from cashew fruit and coconut. Toddy, another type of Indian liquor is made from the sap of coconut palm trees and found in Kerala.

## Potential for wine segment in India

The Indian wine segment is expected to grow by USD 274.00 mn from 2021 to 2026. Factors that will drive this sectorial growth include, increasing use of online sales channels, increasing application

and demand for wine in food industry and increase in urban population, which is increasing wine consumption. There is a possibility of the growth of wine industry in India in the coming years as

the annual consumption of alcoholic beverages is expected to reach 6.21 bn litres by 2024. (Source: Statista)

## Growth drivers

**Rising urbanisation:** The population of India is expected to grow 1.65 bn by 2060, which, in turn, is expected to increase alcohol consumption.

**Young population:** India has one of the largest young populations globally, which is around 29 years in 2021. This will increase the demand of alcoholic beverages.

**Rise in alcohol consumption in rural areas:** There is an increase in alcohol consumption in the rural areas as compared to urban areas in a few states, such as Andhra Pradesh, Telangana, Kerala, Karnataka, Sikkim, Haryana and Himachal Pradesh who are the largest consumers of alcohol in India. This is because of the easy availability and accessibility of alcohol in rural areas, which is growing the offtake of alcoholic

beverages industry in the country.

**Increasing acceptance as a social beverage:** Wine and beer have been assumed as a social beverage as there is an increase in younger population which, in turn, causing a higher demand in alcoholic beverages.

**Consumption by women:** As the participation of women in the workforce is increasing, they are facing a lot of stress; as a result, it is fuelling the rapid increase of liquor consumption by women.

**Home delivery:** Most states in India during the pandemic allowed the home delivery of liquor products.

**Premiumisation:** With growing urbanisation, rising income levels and easing of lockdowns, the requirement for

premium brand of alcohols recovered, resulting in a visible shift from country liquor to the IMFL brands and higher revenues for the alcoholic beverages market.

**Per capita consumption:** India's per capital alcohol consumption is 5.5 litres, much lower than the global average consumption of 6.2 litres. This could lead to the growth of this sector.

**Increased alcohol accessibility and availability:** There has been an increase in the availability of various alcohol brands and types and all of them are easily accessible in government-licensed outlets, government shops (monopolies), private licensed retail chains (permitted since the past couple of years), restaurants and bars.

## Company overview

Founded by the late Mr. Bhagwati Prasad Kedia in 1989, Associated Alcohols & Breweries Limited is the flagship company of the Associated Kedia Group engaged in the production and conserving liquor. AABL acquired the distillery operations of

the promoter group and extended to the manufacture of premium liquor products and is one of the largest distillers in India. The Company accounts for a vast geographic presence in four states across the sectoral value chain. AABL's primary

incomes are derived from the States of Madhya Pradesh, Kerala and Delhi, who account for more than 80% of the Company's revenues.

## Financial review

The Company reported revenues from operations of ₹514 Crore during FY 2021-22, compared to ₹453 Crore in FY 2020-21. Operating EBITDA on

a consolidated basis stood at ₹96.37 Crore for FY 2021-22 compared to ₹94.1 Crore in FY 2020-21. Depreciation and interest for the current

year stood at ₹14.28 Crore and ₹0.94 Crore, respectively.



## Risk management

<p><b>COVID-19 risk</b> Due to the COVID-19 pandemic in March 2020, there was worldwide lockdown and restrictions.</p>	<p><b>Mitigation</b> There was a rise in growth of the market size of alcoholic beverages in numbers after the easing of the lockdown by the end of Q1 FY21.</p>
<p><b>Innovation risk</b> Failing to meet the quality of the products and failing to attract customers.</p>	<p><b>Mitigation</b> The Company has been judiciously financing the state-of-the-art R&amp;D segment over the past few years, which empowers the Company to deliver a strong pipeline for organized launches.</p>
<p><b>Geographical risk</b> Concentrating on a particular region could hinder the Company's growth</p>	<p><b>Mitigation</b> The location of the Company is sufficiently distributed across the markets - 1,500 Kilometer from Chennai, 1,300 Kilometer from Bangalore, 600 Kilometer from Mumbai and 800 Kilometer from the National Capital Region.</p>
<p><b>Competition risk</b> Increasing competition in the economic market can create lower market share of the Company and fewer profits for the Company.</p>	<p><b>Mitigation</b> The products of the Company are moderately priced and also its operation in regulated markets with high entry barriers, results in protection against competition risks.</p>
<p><b>Regulatory risk</b> There are constant changes of marketing regulations and duties of the liquor industry. Most of the states depend on the liquor industry for their earnings and this at times leads to a fall in demand for the industry players.</p>	<p><b>Mitigation</b> AABL has specialized business section from the manufacture and supply of ENA to contract production for Diageo-USL, to manufacturing and retailing of licensed brands, as well as IMIL and six IMFL brands. The Company have the adaptability to regulatory changes.</p>

## Human resources

The human resource execution helped Associated Alcohols and Breweries strengthen market leadership. The Company not only provide formal and informal training but also on-the-

job learning. It prioritized employee participation by maintaining an enriched workplace, challenging job profile and regular interactions with the management. The Company enjoys one

of the highest employee retentiveness in the industry; it creates leaders from within, strengthening prospects. As on 31st March, 2022, the Company's employee base stood at 547.

## Internal control system

The Company has strong internal control policy that is equivalent with its size and operations. The Board of Directors, in charge of the internal control system, puts down the guidelines and authenticates its sufficiency, efficacy and

implementation. The Company's internal control system is outlined to secure management productivity, measurability and verifiability, compliance with all applicable laws and regulations, trustworthiness of accounting and

management information, and the preservation of the Company's assets, to immediately recognize and control the Company's operational, compliance-related, economic and financial risks.

## Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking

statements' within the meaning of applicable securities laws and regulations.



# NOTICE

**NOTICE IS HEREBY GIVEN** that the **33rd Annual General Meeting** of the members of **Associated Alcohols & Breweries Limited** will be held on **Friday, August 05, 2022 at 02:00 PM (IST) through Video Conferencing(VC) / Other Audio Visual Means (OAVM)** for which purposes the registered/corporate office of the company situated at 4th Floor, BPK Star Tower, A.B Road, Indore – 452008 (Madhya Pradesh) shall be deemed as the venue for the meeting and the proceedings of the Annual General Meeting shall be deemed to be made there at, to transact the following businesses:

## ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended March 31, 2022 and the reports of Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

**“RESOLVED THAT** the audited financial statement of the company for the financial year ended March 31, 2022 and the reports of Board of Directors and Auditors thereon, as circulated to members be and are hereby considered and approved.”

- To declare dividend on Equity Shares for the financial year ended March 31, 2022 and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

**“RESOLVED THAT** a dividend at the rate of ₹1/- (One Rupees Only) per equity shares of ₹10/- each paid up as recommended by the Board of Directors, be and is hereby approved for the financial year ended March 31, 2022.”

- To reappoint Mr. Tushar Bhandari (DIN 03583114), who is liable to retire by rotation and being eligible has offered himself for reappointment and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provision of section 152 and other applicable provisions of the Companies Act, 2013 Mr Tushar Bhandari who retires by rotation and being eligible be and is hereby re-appointed as a Director of the company.”

- To re-appoint M/s Singhi & Co. Chartered Accountants as the statutory auditors of the Company in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provision of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendation of the Audit Committee of the Board of Directors M/s Singhi & Co, Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI) vide firm registration number (FRN) 302049E be and are hereby re- appointed as the Statutory Auditor of the company for the second term of 5 (five) consecutive years, commencing from the financial year 01st April, 2022 to hold office from the conclusion of the 33rd Annual General Meeting until the conclusion of 38th Annual General Meeting to be held in the year 2027, on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the company and statutory auditors.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

## SPECIAL BUSINESS

- To make alteration by appending a new sub clause 4 under part A of Clause III of main object clause of the Memorandum of Association of the company, in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 13 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and rules framed thereunder, as amended from time to time and subject to approval of the Registrar of Companies (ROC) Gwalior, Madhya Pradesh and or any other statutory or regulatory authority as may be necessary Clause III (Main Object Clause) of the Memorandum of Association of the company be and is hereby altered by inserting the following sub clause 4 under part A of Clause III;

- To set up by purchase or establish or otherwise an Ethanol Plant and thus to carry on in India or elsewhere the business to manufacture, produce, process, refine, buy, sale, distribute, trade and to market and supply ethyl alcohol / ethanol for sale to oil marketing companies or to any other companies as permitted to enable them to blend with petrol as per the Government of India Ethanol Blending Policy (Ethanol Blending Programme) and to



*make application and participate in the tender process or any other sale process from time to time by the central government or the state government or to sale by any other mode as applicable or permitted or notified or to produce, supply, trade or market ethanol/ethyl alcohol related products to petroleum, petrochemical or other industry or to do all such act in general practice in relation to similar industry and trade of identical products and to do all such ancillary or incidental, including any commodity and things which can be conveniently used or manufactured or produced in conjunction with or in relation thereof to the attainment of this object including sale and supply of its byproducts.*

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Place: Indore  
Date: 29th June, 2022

**By Order of the Board of Directors**

**Registered office**  
4th Floor, BPK Star Tower, AB Road,  
Indore - 452008 M.P.  
CIN: L15520MP1989PLC049380

**Sumit Jaitely**  
Company Secretary  
FCS 9194

## NOTES:

1. In view of the ongoing COVID-19 pandemic, social distancing is a norm to be followed and Pursuant to the General Circulars 2/2022 dated 05.05.2022 and 19/2021, dated 08.12.2021 other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), permitted the holding of AGM through VC/OAVM, without physical presence of members at common venue, and Annual General Meeting (AGM) held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) stands perfectly valid.

Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only and no physical presence at the meeting is required. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020.

2. Since this AGM is being scheduled to be held through VC/OAVM, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxy by the members is not available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before or after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. However, this number does not include the large Shareholders holding 2% or more share capital, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons

of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
6. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
7. The Notice calling the AGM along with complete Annual Report has been uploaded on the website of the Company [www.associatedalcohols.com](http://www.associatedalcohols.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and providing necessary platform for Video Conference/OAVM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

8. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company [www.associatedalcohols.com](http://www.associatedalcohols.com) as soon as possible after the Meeting is over.
9. In compliance with the aforesaid MCA Circulars dated 5th May, 2020 and SEBI Circular dated May 12, 2020 & May 13, 2022, Notice of the 33rd AGM along with the Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website - <https://associatedalcohols.com>, websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) , and on the website of CDSL <https://www.evotingindia.com>.  
  
However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company but subject to time taken by the courier and Postal Department.
10. Pursuant to Finance Act, 2020, dividend income if any declared by the Company will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Ankit Consultancy Private Limited, the Share Transfer Agent (in case of shares held in physical mode) and to the concerned depositories (in case of shares held in demat mode) A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to [investorrelations@aabl.in](mailto:investorrelations@aabl.in) by 05:00 PM IST on 29th July, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [investorrelations@aabl.in](mailto:investorrelations@aabl.in) The aforesaid declarations and documents need to be submitted by the shareholders by 05:00 PM IST on July 29th, 2022.
11. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
12. Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 30th July, 2022 to Friday, 05th August, 2022 (both days inclusive)** for the Annual General Meeting and ascertainment for entitlement of payment of dividend to the members whose names appear in the Register of members and the records of the beneficiaries of the CDSL and NSDL on the date of the Annual General Meeting. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date 29th July, 2022 Friday.
13. CS Ishan Jain, Practicing Company Secretary (FRN S2021MP802300, M. No. FCS 9978 & C.P. No. 13032) and Proprietor of M/s. Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
14. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting at its email ID [investorrelations@aabl.in](mailto:investorrelations@aabl.in) so that the information required may be made available at the Meeting.
15. The Company's Statutory Auditors, M/s. Singhi & Co. Chartered Accountants, registered with the Institute of Chartered Accountants of India vide firm registration number (FRN) 302049E, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 28th Annual General Meeting ("AGM") of the Members held on August 05, 2017 until the conclusion of 33rd Annual General Meeting. The first term of appointment of 5 years will be completed at the 33rd Annual General meeting, thus the appointment/reappointment of statutory auditors in accordance with the provisions of the Companies Act, 2013 is due and forms part of notice of the ensuing AGM.  
  
Further, the Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.
16. In accordance with the section 110 of the Companies Act, 2013 any item of business required to be transacted by means of postal ballot may be transacted at a general meeting by providing the members the facility to vote by electronic means. Hence as the facility to provide vote by electronic means being provided, the requirement of postal ballot be dispensed with.
17. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board Report.
18. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an email to [investorrelations@aabl.in](mailto:investorrelations@aabl.in).



19. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code and update signature etc.:
- For shares held in electronic form: to their Depository Participants (DPs).
  - For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed Form ISR-1, for update signature in prescribed Form ISR-2, and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/ MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters for furnishing the required details, the same forms are available on the Company's website [www.associatedalcohols.com](http://www.associatedalcohols.com).
20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website [www.associatedalcohols.com](http://www.associatedalcohols.com) and website of Company's Registrar and Transfer Agents, Ankit Consultancy Private Limited ("RTA") at [www.ankitonline.com](http://www.ankitonline.com). It may be noted that any service request can be processed only after the folio is KYC Compliant.
21. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation,
- Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
22. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
23. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.associatedalcohols.com](http://www.associatedalcohols.com). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
25. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
- 26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
- Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
  - Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
  - Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  - Shareholders who would like to express their views/ask questions during the meeting may request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, at [investorrelations@aabl.in](mailto:investorrelations@aabl.in).

## 27. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:-

- (i) The voting period begins on **Tuesday 02nd August, 2022 at 09:00 AM (IST) and ends on Thursday 04th August, 2022 at 05:00 PM (IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date 29th July, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> . Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>



Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- (iv) **Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.
- (v) **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact toll free no. 1800225533
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (vi) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Associated Alcohols & Breweries Ltd on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

## 28. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

## 29. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA at investor@ankintonline.com or to the company at investorrelations@aabl.in.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

## 30. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact toll free no. 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East),

Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800225533.

### 31. OTHER INSTRUCTION

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.associatedalcohols.com](http://www.associatedalcohols.com) and The Company shall simultaneously forward the results to National Stock Exchange of India Limited (NSE) and BSE Limited, where the shares of the Company are listed.



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

### Item No. 4

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members at the 28th Annual General Meeting ("AGM") of the Company held on 05th August, 2017, had approved the appointment of M/s. Singhi & Co., Chartered Accountants (Firm Registration No.: 302049E), as Statutory Auditors of the Company, to hold office till the conclusion of the 33rd AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 29th June, 2022, proposed the re-appointment of M/s. Singhi & Co., Chartered Accountants (Firm Registration No.: 302049E), as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 33rd AGM till the conclusion of 38th AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s. Singhi & Co., have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

### Item No. 5

The Board of Directors has considered the proposal and diversification into area which would be profitable to the company as a part of its diversification plans. For this purpose the object

clause of the company be altered thus including the diversification into ethanol / ethyl alcohol and other related products, this will enable the company to enlarge its area of operations and carry on its business and related activities efficiently and that the proposed activities can be conveniently and advantageously combined with the present activities of the company.

The main object clause of the memorandum of association is amended by inserting/ appending the aforesaid sub clause (4) after sub clause (3) of clause III (A) of the Memorandum of Association of company.

The Board of Directors in its meeting held on 29th June, 2022 has approved the alteration of the MOA of the company and the resolution form part of the notice seeking approval of the shareholder of the company.

The draft copy of the Memorandum of Association of the company is available for inspection at the registered office of the company on any working day during business hours till AGM. The proposed amendment shall be effective upon the registration of the resolution with the Registrar of Companies.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company, their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Place: Indore

Date: 29th June, 2022

Registered Office:  
4th Floor, BPK Star Tower ,  
A.B. Road, Indore -452008 MP  
CIN: L15520MP1989PLC049380

**By Order of the Board of Directors**

**Sumit Jaitely**  
Company Secretary  
FCS 9194



**DETAIL IN PURSUANCE OF REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015 OF DIRECTORS/PERSONS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING.**

Name of the Director	Tushar Bhandari
Date of Birth	12.07.1981
DIN	03583114
Date of Appointment on the Board	05.01.2017
Qualifications	MBA
Experience and Expertise	Mr Tushar Bhandari has an overall 16+ years of experience with 11+ years of experience in the liquor industry
No. of meetings of Board attended during the year.	7
List of Directorship/Membership/ Chairmanship of Committees of other Board.	1
Shareholding in AABL (Equity)	5566
Terms & conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	As per Nomination and Remuneration Policy of the Company and terms of agreement with the Director as displayed on the company's website viz. <a href="http://www.associatedalcohols.com">www.associatedalcohols.com</a>

Place: Indore  
Date: 29th June, 2022

**By Order of the Board of Directors**

**Registered Office:**  
4th Floor, BPK Star Tower ,  
A.B. Road, Indore -452008 MP  
CIN: L15520MP1989PLC049380

**Sumit Jaitely**  
Company Secretary  
FCS 9194

# DIRECTORS' REPORT

## Dear Members,

Your Directors have pleasure in presenting their 33rd Annual Report together with the Audited Accounts and Auditor's Report of the Company for the year ended on 31st March, 2022.

## 1. FINANCIAL RESULTS

A summary of the company's financial result year 2021-22 is as under:

Particulars	(₹ in Lakhs)	
	2021-2022	2020-2021
Gross Revenue from Operations	51422.45	45317.16
Profit/(Loss) before Interest, Depreciation & Tax	9636.98	9401.15
Less: Interest	93.18	146.91
Profit before Depreciation	9543.80	9254.24
Less: Depreciation	1427.56	1406.70
Profit / (Loss) before Tax	8116.24	7847.54
Provision of Tax	2035.68	2051.87
Net Profit/Loss	6080.56	5795.67

## 2. FINANCIAL PERFORMANCE

The Company's operations and financial results for the Q1 FY 2021-22 have been adversely impacted by the outbreak of Covid-19 Second-Wave and the lockdown announced by the State Government, amidst all these challenges your company has achieved a turnover of ₹51422 lakhs in the current year against ₹45317 lakhs in the previous year, the year FY 22 was a year of unprecedented challenged but the company's agile business model helped to navigate the headwinds and delivered highest bottom line in the history of AABL.

Earnings Before Interest Depreciation & Tax (EBIDTA) for the year stood at ₹9637 lakhs, an increase of 2.51% from ₹9401 lakhs in the previous year. Operating Profit Before Tax (PBT) stood at ₹8116.24 lakhs an increase of 3.42% from ₹7847.54 lakhs in the previous year & the net profit for the year was ₹6080.56 lakhs as against ₹5795.67 lakhs an increase of about 4.91% from the previous year. The changes in the key financial ratios form part of this report.

The company continues to retain and reinforce its market leadership in the allocated segments in which it operates. There are no material changes or commitments affecting the financial position of the company which have occurred between the end of the financial year and the date of this report other than the impact of Covid-19 on business operations of the company detailed in this report.

## 3. IMPACT OF COVID-19 SECOND WAVE

The operations & business of the company were impacted for a part of the quarter (Q1) due to the second lockdown & closure of liquor shops as per state government directives.

Although there were initial uncertainties during the year, things trend to normalize gradually post first quarter, and the economy regained momentum in the first half of FY 22. The better balance sheet position, fair profitability and inherent resilience of the business model positioned the company well to navigate the challenge ahead and continue its growth trajectory.

## 4. SHARE CAPITAL

The paid-up equity share capital of the company as at March 31, 2022 stood at ₹1807.92 lakhs divided into 18079200 equity shares of ₹10/- each.

## 5. DIVIDEND & RESERVES

Your directors have pleasure in recommending dividend for approval of the members at the ensuing 33rd Annual General Meeting a dividend of 10% i.e ₹1.00/- each (previous year 10% i.e. ₹1.00/- each) on 18079200 Equity Shares of face value of ₹10/- each the aggregate amount being ₹180.79 lakhs, payable to shareholders whose name appear in the Register of Members as on the Book Closure Date/Record Date.



During the year under review ₹100 lakhs was transferred to General Reserve from retained earnings.

## 6. FINANCE & ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2022 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2022. The Notes to the Financial Statements adequately cover the Audited Statements and form an integral part of this report.

## 7. INCOME TAX REFUND

The demand raised by the Income Tax Department as quashed by the CIT Appeals earlier has been affirmed by the Income Tax Appellate Tribunal (ITAT)

Further, the company has received a refund of Rs 64.35 Lakhs including interest of ₹5.68 Lakhs against the deposit of Rs 118.7 Lakhs, the company is in the process of rectifying and receiving the balance amount as adjusted by the department.

## 8. NEW ETHANOL DIVISION

The company has embarked the diversification with more focus on establishing Ethanol Plant & division, the plant will be designed to cater the future needs and is laid on the foundation to meet the Ethanol demand in the state of Madhya Pradesh & nearby surroundings state.

The Project will add 40 MLPA, the new plant is exclusive for the Ethanol Division for Sale to Oil & Petroleum Companies (OPC) the project outlay is expected to be at around 120 crores (approximately) including all the modern-day utilities and facilities and expected to complete by end of financial year 2022-23.

## 9. CCI INVESTIGATION

The office of the Director General, Competition Commission of India has conducted a state wide investigation on the leading distillers of the state of Madhya Pradesh in the same line an investigation was carried out at the corporate office premises of the company on 27th October, 2021

The team examined the sale and supply of country liquor (IMIL) and its tender process, the company officials has extended full cooperation and furnished all explanation. Further the company is in the process of providing necessary information and explanation as and when called and required by the CCI.

## 10. DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 134(5) of the Companies Act, 2013 the Directors confirm that:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed.
- that appropriate accounting policies have been selected and applied consistently and that judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March, 2022 and of its profit for the year ended on that date.
- that proper and sufficient care has been taken for the maintenance of adequate accounting records under the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- that the annual financial statements have been prepared on a going concern basis.
- that the directors had laid down internal financial control to be followed by the company and that such internal financial control is adequate and were operating effectively.
- that the director had devised proper system to ensure compliance with the provision of all applicable laws and that such system were adequate and operating effectively.

## 11. COMPOSITION OF BOARD

### Directors & KMP

The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board has constituted Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

Mr. Tushar Bhandari (DIN: 03583114) and Mr. Sanjay Kumar Tibrewal (DIN 00737877) are the Whole Time Directors of the company, the company has appointed adequate Key Managerial Personnel's as per requirements of Section 203 of the Companies Act, 2013.

### Declaration of Independence

The Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

### Director liable to retire by rotation seeking reappointment

In accordance with the provisions of section 152 of the Companies Act, 2013 and Company's Articles of Association, Mr. Tushar Bhandari, (DIN: 03583114) Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. The Board has recommended his appointment for the consideration of the members at the forthcoming AGM. Brief profile of Mr. Tushar Bhandari, has been given in the Notice convening this AGM.

### Resignation of Directors

Mr. Manish Kumar Tibrewal (DIN: 00747559) Director of the company has resigned on 28th May, 2021. The director has resigned on the grounds that their personal ambitions, priorities and plans are different out of change in priorities and goals thus they wish to quit the directorship of the company.

The Board has placed on record special thanks for the time rendered by him during their tenure and wishes him all the best in their future endeavors.

## 12. KEY MANAGERIAL PERSONNEL

During the period under review following are the Key Managerial Personnel of the company as on 31st March, 2022:

1. Mr. Tushar Bhandari - Whole Time Director
2. Mr. Sanjay Kumar Tibrewal - Whole Time Director
3. Mr. Sumit Jaitely – Company Secretary

### Note:

Mr. Rahul Tiwari Chief Financial officer of the company has resigned w.e.f. 30.11.2021 who was appointed on 13th April, 2021. The Board has placed on record special thanks for the time rendered by him during their tenure and wishes him all the best in their future endeavors. Mr Sanjay Kumar Tibrewal has been appointed as the Chief Financial Officer designated as Whole Time Director & CFO w.e.f. 25.05.2022

## 13. MEETING

During the year Seven (7) Board, Four (4) Audit Committee, Three (3) Stakeholders Relationship Committee, One (1) Nomination & Remuneration Committee, Two (2) CSR Committee Meetings and One (1) Risk Management Committee Meeting were convened and held.

## 14. PERFORMANCE EVALUATION OF BOARD, COMMITTEES & DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the Regulation 25 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its committees and individual Directors..

The Directors were satisfied with the evaluation results, which reflected overall engagement of the Board and its Committees with the Company.

## 15. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As part of its initiatives under "Corporate Social Responsibility" (CSR), the company has constituted Corporate Social Responsibility Committee. The CSR Committee has framed the CSR policy of the company. The Committee has made expenditure which form part of this report.

Annual Report on CSR activities is annexed herewith as: "Annexure B"

## 16. CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the Regulation 27 of the SEBI (LODR) Regulations, 2015 as applicable to the Company. A separate report on Corporate Governance and Auditors Report thereon are included as part of the Annual Report.

## 17. RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business and that the provision of section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of section 134 of the Companies Act, 2013 is not required. Further there is no material related party transaction during the year under review with the Promoter, Directors or Key Managerial Personnel

All related party transactions are placed before the Audit Committee as also the Board of Directors for approval. Omnibus approval was obtained on a yearly basis for transactions which are repetitive in nature.

## 18. RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company's system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives.



Management is responsible for establishing and maintaining adequate disclosure controls and procedures and adequate internal controls over financial reporting with respect to financial statements besides its effectiveness in the context of applicable regulations.

The Internal Auditor, the Audit Committee as well as the Board of Directors conduct from time to time an evaluation of the adequacy and effectiveness of the system of internal controls for financial reporting with respect to financial statements.

## 19. AUDITORS

M/s Singhi & Co., Chartered Accountants, Kolkata FRN (302049E) were appointed as Statutory Auditors of your company at the 28th Annual General Meeting held on 05th August, 2017, for a term of five consecutive years upto the conclusion of 33rd Annual General Meeting.

The term of 5 years in accordance with section 139(2) of the Companies Act, 2013 is completed in the financial year ended 31.03.2022 and will hold office upto the conclusion of the 33rd Annual General Meeting. The appointment/reappointment of the statutory auditor is due at the ensuing 33rd Annual General Meeting.

The Report given by the Auditors on the financial statement of the company forms part of this Report and are self-explanatory. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

## 20. SECRETARIAL AUDIT

The Board of Directors under section 204(1) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014 has appointed M/s K. Arun & Co. (Practicing Company Secretaries), Kolkata to conduct secretarial audit of the company for the financial year 2021-22. The Secretarial Audit report for the Financial Year ended 31st March, 2022 is annexed herewith as "Annexure C" and forms part of this report. The report is self-explanatory and do not call for any comments.

Further, the Board has appointed M/s K. Arun & Co. (Practicing Company Secretaries), Kolkata as Secretarial Auditor for the financial year 2022-23.

## 21. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2022 is available on

the Company's website on <https://www.associatedalcohols.com/form-mgt-7/>

## 22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO

Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as "Annexure D" and forms part of this report.

## 23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees and Investment in pursuance to Section 186 of the Companies Act, 2013 are given in the Notes to the financial statements.

## 24. FIXED DEPOSITS

During the year your company has not accepted any deposit from public under Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposit) Rules, 2014.

## 25. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- During the year under review, there were no cases filed or reported pursuant to the sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- No instances of fraud reported by auditor under 143(12) of the Companies Act, 2013.

## 26. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

The relation between the employees and the management has been cordial throughout the year under review and the Directors place on record their appreciation for the efficient services rendered by the employees at all levels.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as "Annexure – A" and forms part of this report.

## 27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the policy is explained in the Corporate Governance Report and also posted on the website of the company.

## 28. INTERNAL COMPLAINTS COMMITTEE

As per the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company has constituted Internal Complaints Committee (ICC) as per the requirements.

## 29. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Particulars	FY 2021-22	FY 2020-21
Debtor Turn Over Cycle	16 Days	31 Days
Inventory Turnover Cycle	46 Days	46 Days
Interest Coverage Ratio	103	64.00
Current Ratio	2.44	2.95
Debt Equity Ratio	0.01	0.03
Operating Profit Margin	19%	21%
Net Profit Margin	12%	13%
Return on Equity	19%	23%

## 30. ACKNOWLEDGEMENT

Your Directors express their sincere appreciation for the co-operation and support received from shareholders, bankers, financial institutions, regulatory bodies, customers, suppliers, employees and other business constituents during the year under review.

FOR AND ON BEHALF OF THE BOARD

**Tushar Bhandari**  
Whole Time Director  
DIN: 03583114

**Sanjay Kumar Tibrewal**  
Whole Time Director and CFO  
DIN: 00737877

Place: Indore  
Date: 25th May, 2022



## DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- I. Ratio of the remuneration of each executive Director to the median remuneration of the Employees of the company for the financial year 2021-22, the percentage increase in remuneration of Whole Time Directors, Chief Financial Officer and Company Secretary during the financial year 2021-22.

Sr. No.	Name of Director/KMP	Designation	Ratio of remuneration	% increase in Remuneration in the Financial Year 2021-22
1	Mr. Tushar Bhandari	Whole Time Director	28x	11%
2	Mr. Sanjay Kumar Tibrewal	Whole Time Director	23x	10%
3	Mr. Rahul Tiwari *	Chief Financial Officer	-	10%
4	Mr. Sumit Jaitely	Company Secretary	9.8x	14%

\*Mr. Rahul Tiwari Chief Financial Officer of the Company resigned w.e.f. 30th November, 2021.

- II. There were 547 permanent employees on the roll of the company as on 31st March, 2022.
- III. Median Remuneration of the employee of the Company during the financial year was ₹1.57 Lakh per annum.
- IV. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2021-22 was 10%.
- V. The parameters for the variable component of remuneration availed by the directors are considered by the board of directors based on the recommendation of Nomination and Remuneration Committee as per the Remuneration Policy of the Directors, Key Managerial Personnel and other employees.
- VI. A statement of top ten employees in terms of remuneration drawn as per Rule 5(2) and read with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 as amended, is annexed herewith as "Annexure-E".
- VII. It is hereby affirm that the remuneration paid is as per the Remuneration Policy for the Directors, Key Managerial Personnel and other employees.
- Note:** The Non-executive Directors of the company are entitled for sitting fees as per the statutory provisions the detail of which are provided in the Corporate Governance Report.

## STATEMENT OF PARTICULARS OF EMPLOYEE PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 EMPLOYED THROUGHOUT THE FINANCIAL YEAR 2021-22.

1. During the year received remuneration in excess of ₹102.00 Lakh or more per annum.  
Mr. Anand Kumar Kedia  
Mr. Prasann Kumar Kedia
2. During the year the employees received remuneration in excess of that drawn by Whole Time Director and hold more than 2% of Shares.  
Mr. Anand Kumar Kedia  
Mr. Prasann Kumar Kedia  
Mr. Anshuman Kedia
- B. Mr. Prasann Kumar Kedia, Age 50 years, Qualification MBA, Cadre Top Management – Operation & Business Development, Joining Date 01/04/1994, Experience 28 years, Remuneration ₹359.78 Lakhs, Promoter Group.
- C. Mr. Anshuman Kedia, Age 29 years, Qualification Graduate, Cadre Senior Executive Joining Date 01/11/2015, Experience 6 years, Remuneration ₹83.78 Lakhs, Promoter Group.

FOR AND ON BEHALF OF THE BOARD

### Details

- A. Mr. Anand Kumar Kedia, Age 57 years, Qualification Post Graduate in Commerce, Cadre Top Management – Business Promotion & Development, Joining Date 01/04/1990, Experience 32 years, Remuneration ₹359.78 Lakhs, Promoter Group.

**Tushar Bhandari**  
Whole Time Director  
DIN: 03583114

Date: 25th May, 2022  
Place: Indore

**Sanjay Kumar Tibrewal**  
Whole Time Director and CFO  
DIN: 00737877



## Annexure B

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

## 1. CSR Policy &amp; Philosophy

AABL is committed to operate and grow its business in a socially responsible way with a vision to be an environmental friendly corporate citizen. The Company is committed to Social service, ecological balance and environmental protection, AABL has taken up various Corporate Social Responsibility (CSR) initiatives earlier and will continue to do so in future.

CSR activities at AABL reflect its commitment to make things happen at every project we undertake.

Our passion in these activities make us more responsible year after year. As a responsible corporate citizen, we try to contribute for possible social, educational and environmental causes on a regular basis. We firmly believe that to succeed, an organization must maintain highest standards of corporate behavior towards its investors, stakeholders, employees and societies in which it operates.

Constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy has become mandatory under the Companies Act, 2013. Accordingly, our Company has formulated this CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs.

## 2. CSR Vision

Improve quality of life for all our communities through integrated and sustainable development in every possible way.

## 3. Constitution of CSR Committee

In terms of section 135 of the Companies Act, 2013 and the Rules made thereunder, Board of Directors of the Company has constituted a CSR Committee and the composition of its members are as;

Sr. No.	Name	Status	Designation
1	Mr. Tushar Bhandari	Executive Director	Chairman
2	Mr. Nitin Tibrewal	Independent Director	Member
3	Mr. Debashis Das	Non Independent Director	Member

4. Average Net Profit of the Company for last three financial years: ₹65,45,65,099/-

5. Prescribed CSR Expenditure (Two percent of amount as in item no. 4 above): ₹1,30,91,302/-

6. Detail of CSR spends for the financial year:

a. Total Amount Spent for the Financial Year: ₹1,53,74,820/- (45,01,584 +last year spent 1,06,47,807)

b. Amount Unspent if any: ₹ NA

c. Manner in which the amount spent during the financial year:

(Amount in ₹)

Sr. No.	CSR Project or Activity Identified	Sector in which Covered	Area/ Location	Amount Outlay	Amount Spent	Cumulative Expenditure	Amount Spent: Direct /Through Implementation Agency
1	Covid-Oxygen Machine	Health Covid-19	Indore	341600	341600	341600	Geeta Bhawan Trust
2	Covid-Oxygen Plant	Health Covid-19	Barwaha	1100000	1100000	1441600	Government Medical Hospital
3	Covid-Oxygen	Health Covid-19	Indore	500000	500000	1941600	Medical Hospital
4	COVID-19 Ventilator Machine	Health Covid-19	Indore	2559984	2559984	4501584	ESIC

7. Reason for amount unspent: NA

FOR AND ON BEHALF OF THE BOARD

Place: Indore  
Date: 25th May, 2022

Tushar Bhandari  
Whole Time Director  
DIN: 03583114

Sanjay Kumar Tibrewal  
Whole Time Director & CFO  
DIN: 00737877

## SECRETARIAL AUDIT REPORT

### FOR THE FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2015]

To,  
The Members,  
**Associated Alcohols & Breweries Limited**  
CIN: L15520MP1989PLC049380

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Associated Alcohols & Breweries Limited (hereinafter called "the Company")**. The Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

V. The following Industry Specific law(s):

- a. Madhya Pradesh Excise Act, 1915 and Madhya Pradesh Distillery Rules, 1995.

We have also examined the compliance by the company of the following statutory provisions/standards/regulations:

- a. The uniform Listing Agreements entered into by the Company, with **BSE Limited & National Stock Exchange Limited**.
- b. The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c. The Secretarial Standards (SS - 1 and SS – 2) issued by the Institute of Company Secretaries of India.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director.

All requisite compliances were undertaken by the company in consonance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the changes in the composition of the Board made during the year including appointment of Mr. Sanjay Kumar Tibrewal as Whole Time Director and Mr. Rahul Tiwari as Chief Financial Officer on and from 13th April, 2021. Further, during the period under review, Ms. Apurva Pradeep Joshi has been regularised as an Independent Director and the re-appointment of Mr. Tushar Bhandari Whole Time Director has been confirmed in the 32nd Annual General Meeting of the Company held on 20th August, 2021. We further report that, during the period under review, Mr. Sanjay Kumar Tibrewal and Mr. Rahul Tiwari, Chief Financial Officers, resigned from their position on 13th April, 2021 and

30th November, 2021 respectively. Their resignation has been duly noted by the Board.

Adequate Notice is given to all Directors to schedule the Board/ Committee meetings. Information and circulation of the agenda with detailed information thereof, convening of meetings was done in compliance with the applicable laws, rules, regulations and guidelines, etc. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that**, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as also represented by the management.

**We further report that** during the period under review, as explained and represented by the management, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs.

**For K. Arun & Co**  
*Company Secretaries*

**Arun Kr. Khandelia**  
*Partner*

FCS: 3829

C.P. No.: 2270

Place: Kolkata

Date: 25.05.2022

UDIN: F003829D000382251



## SECRETARIAL COMPLIANCE REPORT

### Of Associated Alcohols & Breweries Limited for the Financial Year Ended 31st March, 2022

[Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, K. Arun & Co., Company Secretaries, being the Secretarial Auditor of **M/s. Associated Alcohols & Breweries Limited (herein after mentioned as "the Company")**, have examined:

- a) all the documents and records made available to us and explanation provided by the Company.
- b) the filings/ submissions made by the Company to the stock exchanges,
- c) website of the Company and
- d) such other documents, as may be relevant, which has been relied upon to make this certification for the Financial Year ended 31st March, 2022 in respect of compliance with the provisions of:
  - I. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
  - II. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:-

- A. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the circulars and guidelines issued there under;
- B. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with the circulars and guidelines issued there under;
- C. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 along with the circulars and guidelines issued there under;

- D. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 along with the circulars and guidelines issued there under;
- E. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 along with the circulars and guidelines issued there under;

Based on the above examination, we hereby report that, during the Review Period:

- I. The Company has complied with all the provisions of the above Regulations and Circulars and guidelines issued there under;
- II. The Company has maintained proper records under the provisions of the above Regulations and Circulars and Guidelines issued there under insofar as it appears from my/our examination of those records;
- III. No action has been taken against the Company or its promoters, directors, material subsidiaries either by Securities & Exchange Board of India or by Stock Exchanges under the aforesaid Acts/ Regulations and Circulars/ Guidelines;

**For K. Arun & Co**  
Company Secretaries

**Arun Kr. Khandelia**  
Partner

FCS: 3829

C.P. No.: 2270

UDIN: F003829D000382251

Place: Kolkata

Date: 25.05.2022

## Annexure D

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Account) Rules, 2014

**A. CONSERVATION OF ENERGY**

Your Company continues to give the highest priority to the conservation of the energy. All aspects of generation and usage are regularly reviewed and the company is committed towards conservation of energy and aimed at improving efficiency through innovative measures.

Steps taken or impact on conservation of energy.

- I. Installation of energy efficient lighting fixtures
- II. Reducing power consumption in cooling towers
- III. Replacement of inefficient motors

**B. TECHNOLOGY ABSORPTION**

Your company continues to invest in research and development and as a result the Company has adopted the latest technology in its production process. The Company has an inbuilt system of research and development and has not imported any technology.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particular	(₹ in Lakhs)	
	2021-22	2020-21
Purchase of Stores & Spares/Import of Machinery	86.04	Nil
Travelling Expenses	10.34	Nil
Expenditure in foreign currency/Professional Development Expenses	Nil	Nil
Earning from Export/Sale of Spirit and IMFL	15.83	210.15

FOR AND ON BEHALF OF THE BOARD

Place: Indore  
Date: 25th May, 2022

**Tushar Bhandari**  
Whole Time Director  
DIN: 03583114

**Sanjay Kumar Tibrewal**  
Whole Time Director and CFO  
DIN: 00737877



Annexure E

**STATEMENT OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AS PER RULE 5(2) READ WITH RULE 5(3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED,**

Sr. No	Name	Designation	Remuneration ₹ In Lakh	Qualification	Date of Joining Company	Age	Last Employed
1	Anand Kumar Kedia	Head-Business Promotion & development	359.78	Post Graduate 32 Years of vast Experience	01/04/1990	57	NA
2	Prasann Kumar Kedia	Head Operations & Development	359.78	MBA 28 Years of vast Experience	01/04/1994	50	NA
3	HK Bhandari	Plant Head	86.93	B.E.	01/10/2020 (Re-appointment)	73	NA
4	Anshuman Kedia	Senior Executive	83.78	Graduate	01/11/2015	29	NA
5	Vedant Kedia	Senior Executive	83.78	B. Sc Chemical Engineering	01/04/2019	24	NA
6	Tushar Bhandari	Whole Time Director	43.99	MBA	01/11/2014	41	Kotak Mahindra Bank
7	Sanjay Kumar Tibrewal	Whole Time Director & CFO	36.58	Graduate	01/04/1994	48	NA
8	Sangita Kedia	Senior Executive	35.78	Graduate	01/11/2015	58	NA
9	Shweta Kedia	Senior Executive	35.78	Graduate	01/11/2015	50	NA
10	Ajay Gautam	Vice President	35.44	B. Tech, MBA	10/03/2018	55	Lahag Group

FOR AND ON BEHALF OF THE BOARD

Place: Indore  
Date: 25th May, 2022

**Tushar Bhandari**  
Whole Time Director  
DIN: 03583114

**Sanjay Kumar Tibrewal**  
Whole Time Director and CFO  
DIN: 00737877

# CORPORATE GOVERNANCE REPORT

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Associated Alcohols & Breweries Limited (AABL) is committed to the adoption of best governance practices. The company's vision document spells out a direction for the policies and procedures that ensure long-term sustainability. We believe that Corporate Governance is a voluntary and self-discipline code, thus value creation for stakeholders is a continuous endeavor at 'AABL'.

On the same lines, the Company has always followed fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and the society at large. In harmony with this philosophy, the Company relentlessly strives for excellence by benchmarking itself with esteemed companies with good corporate governance.

Your company is compliant with Regulation 27 of the SEBI (LODR) Regulations, 2015 as applicable to the Company.

The details of which are as follows:

### 1. THE GOVERNANCE STRUCTURE:

AABL's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

- (i) **The Board of Directors:** The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism & accountability and decision making process to be followed.

- (ii) **Committees of Directors:** such as Audit Committee, Nomination & Remuneration Committee (NRC), Corporate Social Responsibility (CSR) Committee, Stakeholder Relationship Committee (SHRC) and Risk Management Committee (RMC) the various committees focuses on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of directors and senior management employees, implementation and monitoring of CSR activities and the risk management framework.

- (iii) **Executive Management:** The entire business including various functions and the support services being managed with demarcated responsibilities and authorities at different levels.

## 2. BOARD OF DIRECTORS:

### A. Composition of the Board:

The Board of directors of the company consists of an optimum combination of Executive, Non-executive and Independent Directors, to ensure the independent functioning of the Board. The composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Regulations. As at the end of financial year 2021-22, the total Board consists of Six (6) Directors, out of which Three (3) are Non-executive Independent Directors who are having expertise in their respective functional areas and capable of bringing in a wide range of managerial skills, business and professional acumen.

The composition of the Board of Directors and the number of Board/Committee in which they are Chairman/ Member as on 31st March, 2022 are as under:

Name of Director	Category	Number of Directorship held in the other Public Listed Companies	No. of Committee position held in other Listed Public Companies	
			Chairman	Member
Mr. Tushar Bhandari	WTD & Executive Director	Nil	Nil	Nil
*Mr. Sanjay Kumar Tibrewal	WTD & Executive Director	Nil	Nil	Nil
Mr. Nitiin Tibrewal	Non Executive & Independent Director	Nil	Nil	Nil
Ms. Homai Ardeshir Daruwalla	Non Executive & Independent Director	5	9	8
Mr. Debashis Das	Non Executive & Non Independent Director	Nil	Nil	Nil
Ms. Apurva Pradeep Joshi	Non Executive & Independent Director	1	2	2

\*Mr. Sanjay Kumar Tibrewal has been appointed as Whole Time Director of the Company w.e.f. 13th April, 2021.



**Name of the other Listed Entities where the person is a Director & category of Directorship:**

Name of the Directors	Name of the other Listed Entities in which person is a Director/holds Directorship	Category
Ms. Homai Ardeshir Daruwalla	AJR Infra And Tolling Limited	Non Executive & Independent Director
	Triveni Turbine Limited	Non Executive & Independent Director
	Triveni Engineering And Industries Limited	Non Executive & Independent Director
	Jaiprakash Associates Limited	Non Executive & Independent Director
	Rolta India Limited	Non Executive & Independent Director
Ms. Apurva Pradeep Joshi	Quick Heal Technologies Limited	Non Executive & Independent Director

**B. Selection and Appointment/Reappointment of Director:**

The Nomination & Remuneration Committee (NRC) have approved a policy for the selection, appointment and remuneration of directors. In line with the said policy, the committee facilitates the Board in identification and selection of the directors who shall be of high integrity with relevant expertise and experience to have well diverse Board. The abstract of the said policy forms part of the Directors' Report. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time.

**C. Meetings, agenda and proceedings etc. of the Board Meeting:**

Meetings and attendance during the year:

During the financial year 2021-22 the Board of Directors met 7 (Seven) times on 13th April, 2021, 28th May, 2021, 13th August, 2021, 13th November, 2021, 22nd December, 2021, and 12th February, 2022, 15th March, 2022.

The details of Board attendance are as under:

Name of Director	No. of Board Meeting held during the year	No. of Board Meeting Attended	Attendance at the last AGM
Mr. Tushar Bhandari	07	07	Yes
Mr. Nitin Tibrewal	07	07	Yes
*Mr. Sanjay Kumar Tibrewal	07	06	Yes
Ms. Homai Ardeshir Daruwalla	07	05	Yes
Mr. Debashis Das	07	06	Yes
Ms. Apurva Pradeep Joshi	07	06	Yes
**Mr. Manish Kumar Tibrewal	07	01	No

\*Mr. Sanjay Kumar Tibrewal was eligible to attend 6 Board Meetings during the period under review.

\*\*Mr. Manish Kumar Tibrewal was eligible to attend 2 Board Meetings during the period under review.

**D. Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 23rd March, 2022 to review the performance of Executive Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

**E. Agenda:**

All the meetings are conducted as per well-defined and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the

meetings of all the Board, Committees for the information of the Board.

**F. Support and Role of Company Secretary:**

The Company Secretary is responsible for convening the Board and Committee meetings preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

**G. Board Evaluation:**

During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual directors, including the Chairman of the Board. For Board and its Committees, the exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning



such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. In case of evaluation of the individual directors, one to one meeting of each Director with the Chairman of the Board and the Chairman of the Nomination & Remuneration Committee was held.

The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

#### H. Code of Conduct:

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the WTD & CFO is attached and forms part of the Annual Report of the Company.

#### I. Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. During the year under review there has been due compliance with the said code.

#### J. Disclosure of Relationship between Directors inter-se:

None of the directors are related inter se.

#### K. No. of Shares held By Non- Executive Director:

Name of Director	No. of Shares Held
Mr. Nitin Tibrewal	200
Mr. Manish Kumar Tibrewal*	Nil
Ms. Homai Ardeshir Daruwalla	Nil

Name of Director	No. of Shares Held
Mr. Debashis Das	Nil
Ms. Apurva Pradeep Joshi	Nil

\*Mr. Manish Kumar Tibrewal resigned from directorship w.e.f. 28th May, 2021

#### L. Web link where detail of familiarization programme is disclosed:

With a view to familiarize the Independent Directors with the Organization Functions and set up and their roles, rights and responsibilities in the company and nature of industry in which the company operates etc. The web link <https://associatedalcohols.com/policies/> can be access for details.

#### M. List of core skills/expertise/competence identified by the Board as required in the context of its business and sector for it to function and those actually available with the board:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

1. Knowledge on Company's businesses (Liquor), policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
2. Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
3. Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
4. Financial and Management skills,
5. Technical / Professional skills and specialized knowledge in relation to Company's business.

#### Matrix Setting out Skills / Expertise / Competencies of the Board Directors:

Skills / Expertise / Competencies	Mr. Tushar Bhandari Whole Time Directors	Mr. Sanjay Kumar Tibrewal Whole Time Directors	Mr. Nitin Tibrewal Independent Director	Ms. Homai Ardeshir Daruwalla Independent Director	Mr. Debashis Das Non Executive Director	Ms. Apurva Pradeep Joshi Independent Director
Knowledge about Company's product						
Behavioral skills						
Business Strategy						
Sales & Marketing						
Corporate Governance						
Forex Management						
Financial Skills						

Excellent

Good Knowledge



Skills / Expertise / Competencies	Mr. Tushar Bhandari Whole Time Directors	Mr. Sanjay Kumar Tibrewal Whole Time Directors	Mr. Nitin Tibrewal Independent Director	Ms. Homai Ardeshir Daruwalla Independent Director	Mr. Debashis Das Non Executive Director	Ms. Apurva Pradeep Joshi Independent Director
Management skills	Excellent					
Technical skills	Working Knowledge					
Professional skills	Good Knowledge					
Specialized knowledge in relation to Company's business	Good Knowledge					

#### N. Independent Directors confirmation by the Board:

All independent directors have given declaration that they meet the criteria of Independence as laid down and in the opinion of Board the Independent Directors fulfill the conditions of independence specified in section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of the listing regulations.

### 3. AUDIT COMMITTEE:

#### (a) Terms of reference:

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors (except Mr. Tushar Bhandari) with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The term of reference of Audit Committee inter alia includes the following;

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013,
  - b. Changes, if any, in accounting policies and practices and reasons for the same,
  - c. Major accounting entries involving estimates based on the exercise of judgment by management,
  - d. Significant adjustments made in the financial statements arising out of audit findings,
  - e. Compliance with listing and other legal requirements relating to financial statements,
  - f. Disclosure of any related party transactions,
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the company with related parties; Provided that the Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the conditions prescribed under the Act and the Listing Regulations.
8. Scrutiny of inter-corporate loans and investments;
9. Evaluation of internal financial controls and risk management systems;
10. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To review the functioning of the Whistle Blower/ Vigil mechanism;
14. To review the system for storage, retrieval, display or printout of the electronic records, if the Books of Accounts are kept in electronic mode;

15. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, at least once in a financial year;
16. To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Audit Committee reviews reports of the internal auditor, meets statutory auditors as and when required and discuss their findings, suggestions, observations, and other related matters.

**(b) Composition, Meeting and Attendance during the year:**

The Audit Committee of the Company as on 31st March, 2022 comprises of the following Directors of the Company. The Committee met 4 (four) times during the year under review. The said meetings were held on 28th May, 2021, 13th August, 2021, 13th November, 2021 and 12th February, 2022.

Name	Designation	No. of meeting attended
Mr. Nitin Tibrewal	Chairman	4
Mr. Tushar Bhandari	Member	4
Ms. Homai Ardeshir Daruwalla	Member	4
Ms. Apurva Pradeep Joshi	Member	4

Three out of four members of the audit committee are Non-executive Independent Directors.

The Management, Chief Financial Officer, Head of Accounts and Audit Senior Executives (in relation to agenda item concerning respective function/department) and representative of Statutory Auditors are permanent invitees to the Audit Committee Meetings.

The Company Secretary acts as secretary to the committee.

**4. NOMINATION & REMUNERATION COMMITTEE:**

**(a) Terms of reference:**

The Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors to the Board for approval.

The terms of reference of the Committee are as follows:

- (i) formulate the criteria for determining qualifications, positive attributes and independence of a director

and recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and other employees;

- (ii) formulation of criteria for evaluation of performance of Independent Directors and the Board;
- (iii) devising a policy on Board's diversity;
- (iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance;
- (v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (vi) recommendations to board on all the payments made, in whatsoever form, to the senior management;
- (vii) assess the list who shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

**(b) Composition, Meeting and attendance during the year:**

The Remuneration Committee of the Company as on 31st March, 2022 comprises of the following Directors of the Company. The Committee met 1 (One) time during the year under review. The said meetings were held on 13th April, 2021.

Name	Designation	No. of meeting attended
Mr. Nitin Tibrewal	Chairman	1
Ms. Homai Ardeshir Daruwalla	Member	1
Mr. Debashis Das	Member	1

**(c) Performance Evaluation for Independent Directors:**

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

**(d) Remuneration Policy:**

The Company follows a policy on remuneration of Directors and Senior Management Employees.



#### Details of Remuneration to Whole Time Directors & Non- Executive Directors:

The terms of remuneration of Mr. Tushar Bhandari & Sanjay Kumar Tibrewal Whole Time directors were approved by the Board of Director and approved by shareholders in the 28th Annual General Meeting and 32nd Annual General Meeting of the company respectively.

During the financial year 2021-22, the particulars of remuneration paid to Whole-time Directors are as under:

Name of the Director	Salary (₹ in Lakh)	Perquisites	Commission	Stock option Details	Period of Contract
Mr. Tushar Bhandari	42.53	1.46	-	-	5 years from 05.01.2022
Mr. Sanjay Kumar Tibrewal	34.84	1.74	-	-	5 years from 13.04.2021

Services of the Whole-time Directors may be terminated by either party, giving the other party three months' notice. There is no separate provision for payment of severance pay.

#### Remuneration/Sitting fee to other Non-Executive Directors:

The details of sitting fee paid to each of the other Non-Executive/Independent Directors during the year 2021-22 ended on 31st March, 2022 are given below:

Name	Sitting Fee	Other Payment	Total
Mr. Nitin Tibrewal	4.50	-	4.50
Mr. Manish Kumar Tibrewal	0.25	-	0.25
Ms. Homai Ardeshir Daruwalla	2.75	-	2.75
Mr. Debashis Das	3.00	-	3.00
Ms. Apurva Pradeep Joshi	2.75	-	2.75

## 5. STAKEHOLDER RELATIONSHIP COMMITTEE:

### a) Terms of reference

The Committee constituted under section 178(5) of the companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to attend and address the Shareholders' and Investors' grievances. This Committee meets periodically to approve transfer/transmission and issue of duplicate shares and resolve investor's grievances, if any. The Committee oversees the performance of Registrars and Transfer Agents and recommends measures for overall improvement of the quantity of investor services.

Stakeholders Relationship Committee has been empowered to deal with and dispose of the instruments of transfer/transmission of shares in the Company including the power to reject transfer/transmission of shares in terms of the provisions of the Companies Act, 2013, Securities Contract (Regulations) Act, Listing Regulations and the Company's Articles of Association and take necessary actions for all of the matters effecting the interest of the shareholders such as:-

- (i) Resolving the grievances of the security holders including complaints related to transfer/ transmission of shares, non receipt of annual reports, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
- (ii) Review of measures taken for effective exercise of voting rights by the shareholders.
- (iii) Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (iv) Review of the various measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants, Annual Reports and statutory Notices etc.

The Stakeholder Relationship Committee of the Company as on 31st March, 2022 comprises of the following Directors of the Company. The Committee met 3 (Three) times during the year under review. The said meetings were held on 13th August, 2021, 13th November, 2021, and 12th February, 2022.

b) **Composition, Meeting and attendance during the year:**

Name of Directors	Category	Total Meetings held during the year	Nos. of meetings attended
Mr. Nitin Tibrewal	Chairman	3	3
Mr. Tushar Bhandari	Member	3	3
Mr. Debashis Das	Member	3	3

c) **Compliance Officer:** Mr. Sumit Jaitely, Company Secretary of the company is designated as compliance officer.

d) **Share holder Compliant Status during the financial year 2021-22:**

No. of Shareholder Compliant received	No. of Complaint resolved	No. of Compliant Pending.
63	63	0

6. **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**a) **Terms of reference**

The Committee constituted under section 135(1) of the companies Act, 2013 for consideration and approval of fund to be decided and application thereof.

The CSR Committee of the Company as on 31st March, 2022 comprises of the following Directors. The Committee met 2 (Two) times during the year under review. The said meetings were held on 13th August, 2021, and 12th February, 2022.

b) **Composition, Meeting and attendance during the year:**

Sr. No.	Name of Directors	Category	Total Meetings held during the year	Nos. of Meetings attended
1.	Mr. Tushar Bhandari	Chairman	2	2
2.	Mr. Nitin Tibrewal	Member	2	2
3.	Mr. Debashis Das	Member	2	2

7. **RISK MANAGEMENT COMMITTEE:**a) **Terms of reference**

Risk Management Committee has been constituted by the Board of Directors of the Company pursuant to Regulation 21(5) of SEBI (LODR) Regulations, 2015 and the Committee has to discuss its roles and responsibilities pursuant to provisions of the said regulation read with PART -D of Schedule II thereof, given as under.

The role of the committee shall, inter alia, include the following:

1. To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks) information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.



## b) Composition, Meeting and attendance during the year:

The Risk Management Committee (RMC) of the Company as on 31st March, 2022 comprises of the following Directors. The Committee met 1 (One) time during the year under review. The said meetings were held on 22nd December, 2021.

Sr. No.	Name of Directors	Category	Total Meetings held during the year	Nos. of Meetings attended
1.	Mr. Tushar Bhandari	Chairman	1	1
2.	Mr. Sanjay Kumar Tibrewal	Member	1	1
3.	Ms. Homai Ardeshir Daruwalla	Member	1	0
4.	Mr. Prasann Kumar Kedia	Member	1	1

## 8. WTD CERTIFICATION:

The Whole Time Director(WTD) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI(LODR) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

## 9. INFORMATION ON GENERAL BODY MEETINGS:

The details of location and time where last three Annual General Meetings were held:

AGM No.	Place	Date	Time	Special Resolution	Special Resolution through Postal Ballot
32nd	4th Floor, "BPK Star Tower" A.B. Road Indore – 452008 through Video Conferencing (VC)/ Other Visual Means (OAVM)	20.08.2021	01:00PM	No	No
31st	4th Floor, "BPK Star Tower" A.B. Road Indore – 452008 through Video Conferencing (VC)/ Other Visual Means (OAVM)	05.09.2020	02:00 PM	No	No
30th	"Phoenix" , Brilliant Convention Centre, Plot No. 5, Scheme No. 78 Part-II, Vijay Nagar, Indore - 452010	14.09.2019	03:00 PM	Yes(1)	No

## 10. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. They are widely published in following newspapers. These results are simultaneously posted on the website of the Company at [www.associatedalcohols.com](http://www.associatedalcohols.com) and also uploaded on the website of the BSE Ltd and NSE.

Quarterly Results	Newspapers Publication	Displayed at Website
31.03.2022	Financial Express & Naidunia	<a href="http://www.associatedalcohols.com">www.associatedalcohols.com</a>
31.12.2021	Financial Express & Naidunia	<a href="http://www.associatedalcohols.com">www.associatedalcohols.com</a>
30.09.2021	Financial Express & Naidunia	<a href="http://www.associatedalcohols.com">www.associatedalcohols.com</a>
30.06.2021	Financial Express & Naidunia	<a href="http://www.associatedalcohols.com">www.associatedalcohols.com</a>

## 11. GENERAL SHAREHOLDER INFORMATION:

### a. Annual General Meeting

Date : 05th August, 2022  
Venue : 04th Floor, BPK Star Tower, Indore -452008,  
Time : Time: 02:00 PM (IST)

### b. Dividend payment date :

Dividend will be paid within 30 days of approval of the same in the Annual General Meeting.

### c. Financial Year:

Financial Year 2022-23 from April 01, 2022 to March 31, 2023

The tentative due dates for declaration of quarterly results

Unaudited Financial Results for the 1st Quarter ended 30th June, 2022	Within 45 days
Unaudited Financial Results for the 2nd Quarter ended 30th September, 2022	Within 45 days
Unaudited Financial Results for the 3rd Quarter ended 31st December, 2022	Within 45 days
Audited Financial Results for the 4th Quarter ended 31st March, 2023	Within 60 days

**d. Book Closure Date:**

30th July, 2022 to 05th August, 2022

**e. Listing in Stock Exchanges:**

<b>BSE Limited</b>	<b>National Stock Exchange of India Limited</b>
P. J. Towers, Dalal Street, Mumbai 400 001	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Scrip Code : 507526	Scrip Code : ASALCBR
ISIN : INE073G01010	ISIN : INE073G01010

- f.** Annual Listing Fee: Annual listing fee for the year 2022-23 to the Stock Exchanges i.e. BSE Limited & National Stock Exchange of India Limited has been paid.
- g.** Custodial Fees to Depositories: Fee for the year 2022-23 to NSDL and CDSL has been paid.
- h.** Market Price Data: High & Low of each month in the Financial Year- 2021-22

Months	BSE		NSE	
	High	Low	High	Low
April 2021	465.00	386.00	424.40	410.00
May 2021	469.80	400.00	455.00	425.00
June 2021	510.70	425.00	498.80	481.10
July 2021	515.10	449.80	480.00	469.00
August 2021	486.00	417.10	444.90	436.15
September 2021	465.00	411.50	457.00	434.35
October 2021	653.35	432.95	551.00	522.15
November 2021	609.95	487.5	517.75	499.90
December 2021	535.00	459.25	510.00	500.45
January 2022	556.95	470.00	504.90	489.00
February 2022	514.10	410.00	451.85	433.00
March 2022	506.70	432.05	480.00	468.70

**i. Registrar & Transfer Agents:**

Ankit Consultancy Private Ltd. 60, Electronics Complex, Pardeshipura, Indore (M.P.)– 452010  
Phone No. 0731- 4281333, E-mail: investor@ankitonline.com

**j. Share Transfer System:**

The Share transfer/transmission work and dematerialization/re-materialization work is assigned to M/s. Ankit Consultancy Private Limited, the Registrars and Share Transfer Agent.. The board has delegated the authority for approval of transfer, transmission etc. to stakeholder relationship committee.. The Company has entered into agreement with CDSL and NSDL to facilitate holding of shares of the Company in dematerialized form. Members may please note that SEBI vide Notification No. SEBI/LAD-NRO/GN/2022/66 dated 24th January, 2022 the transfer shall not be processed unless the securities are held in dematerialised form and that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.



**k. Distribution of Shareholding as on 31st March, 2022:**

Range in No. of shares	Number of Holders	% to Total Holders	Nominal Value in ₹ of No. of Shares held	% to total Capital
Up to 1000	29769	76.38	8604480	4.76
1001 to 2000	5141	13.19	9060670	5.01
2001 to 3000	1087	2.79	2795490	1.55
3001 to 4000	713	1.83	2684600	1.48
4001 to 5000	498	1.28	2374530	1.31
5001 to 10000	953	2.45	7310930	4.04
10001 to 20000	401	1.03	6084480	3.37
20001 to 30000	135	0.35	3450970	1.91
30001 to 40000	74	0.19	2641850	1.46
40001 to 50000	45	0.12	2093170	1.16
50001 to 100000	73	0.19	5122220	2.83
100000 above	84	0.22	128568610	71.11
<b>Total</b>	<b>38973</b>	<b>100.00</b>	<b>180792000</b>	<b>100.00</b>

**l. Categories of Equity Shareholders as on 31st March, 2022:**

Sr. No	Particulars	No. of Shares	% to the total Paid up Share Capital
1	Promoters/ Promoter Group	10566440	58.45
2	Mutual Funds/ UTI, Fls, Banks	2400	0.01
3	Bodies Corporate	642478	3.55
4	Foreign Portfolio Investors	243708	1.35
5	Indian Public	6201237	34.30
6	NRIs/ OCBs	375472	2.08
7	Any other (clearing member)	47465	0.26
	<b>Total</b>	<b>18079200</b>	<b>100.00</b>

**m. Dematerialization of shares and liquidity:**

95.26 % of the Company's share capital is held in dematerialized form as on 31st March, 2022 the Company's shares are being regularly traded on the BSE Ltd and National Stock Exchange of India Limited, ISIN in CDSL and NSDL for Company's equity shares is INE073G01016. The scrip code for the Share on BSE LTD is 507526 and symbol for the shares on National Stock Exchange of India Limited is ASALCBR.

**n. Plant Location:**

Distillery: Khodigram, Tehsil- Barwaha, Distt. Khargone – 451115 (Madhya Pradesh)

Bottling Plant: Udyog Vihar, Chorhata, Rewa, (Madhya Pradesh)

Contract manufacturing unit: Trichur & Calicut Kerala.

**o. Registered Office and Correspondence address:**

4th Floor, BPK Star Tower, A. B. Road, Indore (Madhya Pradesh) – 452008

**12. OTHER DISCLOSURES:**

**a. Details of materially significant related party transactions:**

All transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2021-22 were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act, 2013.

The Company does not have any related party transaction that may have a potential conflict with interests of the Company.

**b. Accounting Treatment:**

In the preparation of the financial statements, the company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 the Companies Act, 2013 and has also adopted IND-AS. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.



**c. Strictures and Penalties:**

The Company has complied with all the requirements of regulatory authorities on capital market and no penalties or strictures have been imposed against it by Stock Exchange or SEBI or other Statutory Authorities during last three years except in FY 2019-20 the company fall under the top 1000 listed company (based on market cap at BSE) and the SEBI (LODR) Regulations, 2015 as amended states that the Board shall comprise of at least six Directors, the company has complied with the regulations and has also deposited the fine as imposed timely.

**d. Vigil Mechanism/Whistle Blower Policy:**

The company has a vigil mechanism named fraud and risk management policy to deal with instance of fraud and mismanagement, if any. The fraud risk management policy ensures that strict confidentiality is maintained while dealing with concern and also that no discrimination will be met out to any person for genuinely raised concern.

**e. Secretarial Compliance Report and Certificate of Non Disqualification of Directors:**

SEBI Circular mandated the Secretarial Compliance Report in addition to the Secretarial Audit Report by Practicing Company Secretary required to be submitted to the Stock Exchanges within stipulated time, which is duly submitted.

Further a certificate of Non Disqualification of Directors is also required to be submitted and in this regard a certificate from M/s K Arun & Co., Practicing Company Secretaries that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as director by SEBI/MCA or any such authority is attached and forms part of this report.

**f. Where the Board had not accepted any recommendation of any committee of the board which is mandatorily required, in the financial year.**

Your Board affirms that, there are no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.

**g. The total fees for all services paid by the company to M/s Singhi & Co. Statutory Auditor of the company is ₹22.65 Lakhs.**

**h. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 Number of Complaints Filed/Disposed/Pending – Nil.**

i. The company timely disseminates the Audited/Unaudited Financial Results to stock exchanges immediately after the approval of Board, these are published in Financial Express (English) and Naidunia (Hindi) and are also available at [www.associatedalcohols.com](http://www.associatedalcohols.com).

j. Web link where, policy for determining material subsidiaries, policy on dealing with related party transactions, is disclosed: <https://associatedalcohols.com/policies/>

k. There have been no instances of non-compliance of any requirement of corporate governance report and the company has duly complied with the applicable requirements of the listing regulation except to the mentioned in point (c) above.

l. SEBI SCORES: SEBI Scores is web based centralized grievance redress system, which enables the investor to lodge and track their complaints online, your company is also registered on SCORES and is prompt in redressing investor grievances.

m. A quarterly reconciliation of Share Capital as required by Securities and Exchange Board of India (SEBI) is being carried out by Independent Professional.

n. The Company has complied with the requirement specified in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C & D Schedule of V of the SEBI (LODR) Regulations, 2015 except Regulations 21(3A) and 25(10).

o. Compliance under non-mandatory/discretionary requirements as specified in Part E of Schedule II of the SEBI (LODR) regulations 2015:

The Company complied with all mandatory requirements and has adopted non-mandatory requirement as per details given below:

**A. The Board:**

The Company does not have Non-Executive Chairman.

**B. Shareholder's Rights:**

The quarterly and half yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.

**C. Audit Qualification:**

The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.



**D. Separate post of Chairperson and the Managing Director or the Chief Executive Officer:**

The Company does not have Separate post of Chairperson and the Managing Director or the Chief Executive Officer.

**E. Reporting of Internal Auditor:**

The Internal Auditors of the Company report to the Audit Committee.

**F. Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:**

There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account during the year under review.

For and on behalf of the Board of Directors

Place: Indore  
Date: 25th May, 2022

**Tushar Bhandari**  
*Whole Time Director*  
DIN: 03583114

**Sanjay Kumar Tibrewal**  
*Whole Time Director & CFO*  
DIN: 00737877

## CERTIFICATION

[Issued in accordance with the provisions of Regulation 17(8) of SEBI (LODR), 2015]

To  
The Board of Directors,  
**Associated Alcohols & Breweries Limited.**

Dear Sirs,

We have reviewed the financial statements and the cash flow statement for the quarter and year ended 31st March, 2022 to the best of our knowledge and belief,

- a) (i) These statements do not contain any material untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting, and that have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or propose to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
  - (iii) There have been no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in company's internal control system over financial reporting

Yours sincerely,  
**For Associated Alcohols & Breweries Limited**

**Tushar Bhandari**  
*Whole Time Director*  
DIN: 03583114

**Sanjay Kumar Tibrewal**  
*Whole Time Director & CFO*  
DIN: 00737877

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## DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

**For Associated Alcohols & Breweries Limited**

Place: Indore  
Date: 25th May, 2022

**Tushar Bhandari**  
*Whole Time Director*  
DIN: 03583114

**Sanjay Kumar Tibrewal**  
*Whole Time Director & CFO*  
DIN: 00737877



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Associated Alcohols & Breweries Ltd.,**  
CIN: L15520MP1989PLC049380

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Associated Alcohols & Breweries Ltd. having CIN: L15520MP1989PLC049380 and having registered office at 4th Floor, BPK Star Tower A.B. Road Indore (MP)- 452008, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Tushar Bhandari	03583114	05/01/2017
2.	Sanjay Kumar Tibrewal	00737877	13/04/2021
3.	Nitin Tibrewal	01892892	28/01/2011
4.	Manish Kumar Tibrewal*	00747559	20/10/2001
5.	Homai Ardeshir Daruwalla	00365880	16/05/2020
6.	Apurva Pradeep Joshi	06608172	12/09/2020
7.	Debashis Das	08755043	16/05/2020

Ensuring the eligibility for the appointment or continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the same based on the verification conducted. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

\*Mr. Manish Kumar Tibrewal, Non-executive Non-Independent Director resigned from the Directorship of the Board on 28th May, 2021.

**For K. Arun & Co.**  
Company Secretaries

**Arun Kumar Khandelia**  
FCS: 3829

C.P. No.: 2270

UDIN: F003829D000382801

Place: Kolkata  
Date: 25th May, 2022

## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

**Associated Alcohols & Breweries Limited**

1. This Certificate is issued in accordance with the terms of our engagement with **Associated Alcohols & Breweries Limited** ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March, 2022 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and Para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

### Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), to the extent relevant, the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022 except non-compliance of regulation 21(3)(a) of Listing Regulations "where only one meeting of Risk Management Committee was conducted during the year instead of having two meetings as required under the said regulation in a financial year".
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

### Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Singhi & Co.**

*Chartered Accountants*  
Firm Registration No.302049E

**(Gopal Jain)**

*Partner*

Membership No. 59147

UDIN No: 22059147AJPBVB9969

Place: Indore

Dated: 25th May, 2022

# Independent Auditors' Report

To the Members of  
Associated Alcohols & Breweries Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Associated Alcohols & Breweries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity 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.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below as Key audit matters and for each matter, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p><b>Inventory verification and existence</b></p> <p>The company deals with various types of bulk material &amp; Finished goods such as Spirit, Liquor, Grains, etc. The company has inventory of Finished Goods &amp; Raw materials at various locations amounting to Rs. 4593.55 Lakhs as at March 31, 2022 as detailed in Notes 13 to the financial statements.</p> <p>Inventories valuation and existence has been determined to be a key audit matter as inventories may be held for long periods of time at various locations before being sold and thus makes it vulnerable to obsolescence. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Further the measurement of these inventories involved certain estimations/assumption and also involved volumetric measurements.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to inventory valuation and existence.</li> <li>We have observed the physical verification of significant inventories count for certain locations by management at year end. The company has also involved an independent Firm of Chartered Accountants for physical verification of significant inventories count for certain locations before the year end and we have applied the forward procedure as an alternative procedure and thus assessed the adequacy of controls over the existence of inventories.</li> <li>Obtained statutory certificates confirming the stock lying at various locations.</li> <li>We have reviewed the report submitted by external agency and obtained reasons/explanation for such differences and also confirmed the adjustment made by the company in accordance with the policy confirmed by the board of directors.</li> <li>Evaluated management judgment with regards to the application of provisions for obsolescence to the inventories.</li> </ul>

Key audit matters	How our audit addressed the key audit matter
<p><b>Disclosure of Contingency, litigation &amp; Taxation</b></p> <p>The Company is exposed to different laws, regulations and interpretations thereof. The company is also subject to number of significant claims, litigations, regulatory including Income tax {refer note no.45.1} and various matters require legal interpretation that arise from time to time in the ordinary course of business. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty inherent in their nature. The Company is required to assesses the need to make provision or disclose a contingency on a case-to-case basis considering the underlying facts of each litigation.</p> <p>We have considered this to be a key audit matter, since the accounting and disclosure of claims and litigations is complex and judgmental, and the amounts involved are, or can be, material to the financial statements.</p>	<p>Our audit procedures included among others:</p> <ul style="list-style-type: none"> <li>• Understanding and assessing the internal control environment relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities;</li> <li>• Analysed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed recent judgments passed by the court authorities affecting such change;</li> <li>• Discussed the status of significant known actual and potential litigations with the management &amp; noted that information placed before the board for such cases and</li> <li>• Assessment of the management’s assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in the financial statements.</li> </ul>

### Information other than the Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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

1. 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.
2. 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian 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 with reference to financial statements 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 with reference to financial statements;
  - 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 remuneration paid / provided by the company to its directors for the year ended March 31, 2022 is in accordance with the provisions of section 197 of the Act read with Schedule V of 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 45 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 has been no delay in transferring amounts, 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, as disclosed in Note 65 to the financial statements, 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 person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b). The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 65 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c). Based on the audit procedures performed that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The dividend proposed in the previous financial year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - vi. As stated in Note 61 to the financial statements, the Board of Directors of the Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

**For Singhi & Co.**

*Chartered Accountants*  
Firm Registration No.302049E

**(Gopal Jain)**

*Partner*

Membership No. 059147  
UDIN: 22059147AJPBHV3396

Place: Indore  
Dated: 25<sup>th</sup> May 2022



## Annexure “A” to the Independent Auditor’s Report

(Referred to our report of even date to the members of Associated Alcohols & Breweries Limited as at and for the year ended March 31, 2022)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- B. The Company has maintained proper records showing full particulars of Intangible 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 at the balance sheet date are held in the name of the Company.
- d. The Company has not revalued its Property, plant and equipment (including Right-of-use assets) and Intangible assets during the year.
- e. According to the 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 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 and/or by an independent agency. 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. In our opinion, the frequency of such verification is reasonable and procedure and coverage as followed by the management was appropriate. 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 the 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 the banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company for the respective quarters except for the following quarter (refer note no 27.4 of the financial statements):

(Amount in Lakhs)

Quarter Ending	Particulars	Amount as per books of accounts	Amount reported in quarterly statement	Variance	Reason for Variance
June 2021	Current Assets	19,689.00	19,887.00	(198.00)	Because of provisional figures reported to banks earlier to finalisations of quarterly accounts.
	Current Liabilities	5,274.00	5,863.00	(589.00)	

- 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 made investment in, granted any loans or advances in the nature of loans, or stood guarantee, or provided any security, secured or unsecured, to any Companies, firms, limited liability partnerships or any other parties during the year, except for granting loans to two parties during the year, details of which are stated below.

Particulars	Amount (Rs. in lakhs)
Aggregate amount during the year	400.00
Balance outstanding as at balance sheet date	400.00

- b. In our opinion and based on the audit procedures conducted by us, the terms and conditions of the loans granted during the year are, prima facie, not prejudicial to the interest of the Company.
- c. In respect of loans granted by the company during the year, the schedule of repayment of principal and interest has been stipulated. The loans and interest thereon were not due for repayment at the balance sheet date.
- d. In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. No loans granted by the company has fallen due during the year, hence the reporting under this clause is not applicable.
- 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 is not applicable.
- 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 the provision of section 186 of the Companies Act, 2013 in respect of loans and advances given and investments made have been complied with by the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public 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 to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of company's products. 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 few cases.
- b. 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 non-payment of interest on delayed payment of VAT amounting to Rs. 132.50 Lakhs.

- c. Details of Statutory dues referred to in sub clause (a) above which have not been deposited as on 31st March 2022 on account of any dispute are given below: -

Sr. No.	Name of the Statute	Nature of Case	Amount (Rs. In Lakhs)	Period to which Amount Relates	Forum at which case is pending
1	Income tax Act, 1961	Income Tax Demand	7.63	AY 2011-12	Commissioner of Income Tax (Appeals), Bhopal
2	Entry tax Act, 1976	Entry Tax Demand	6.76	2008-09	M.P Commercial Tax Appellate Board Indore Bench
			40.00	2012-13	Hon'ble High Court at Madhya Pradesh
3	The Madhya Pradesh VAT Act, 2002	VAT Demand	420.48	2013-14 2014-15	Hon'ble High Court at Madhya Pradesh
			247.46	2015-16	Hon'ble Supreme Court of India, Delhi
			28.00	2016-17	M.P Commercial Tax Appellate Board, Indore Bench
4	The Central sales tax Act, 1956	Central Sales Tax Demand	9.90	2015-16 2016-17	M.P Commercial Tax Appellate Board, Indore Bench



Sr. No.	Name of the Statute	Nature of Case	Amount (Rs. In Lakhs)	Period to which Amount Relates	Forum at which case is pending
5	The Madhya Pradesh Excise Act, 1915	Excise Duty Demand	1.68	2011-12 2012-13	Board of Revenue (department of M.P)
			70.95	2011-12, 2013-14 to 2015-16	State Excise Commissioner Gwalior
			39.32	2009-10 to 2012-13	Hon'ble High Court at Madhya Pradesh
6	The Finance Act, 1994	Service Tax Demand	23.90	2016-17	Commissioner (Appeals) CGST & Central Excise & Customs
			0.15	2017-18 (up to June 17)	

- viii. 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. In our opinion, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender during the year.
- b. In our opinion and based on the information and explanation given to us by the management of the company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c. The Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- 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.
- 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 material fraud by the Company or on the Company has been noticed or reported during the year.
- 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. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- 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, wherever applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards 24 "Related Party Disclosures".
- 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 financial year 2021-22 and in the immediately preceding financial year 2020-21.
- 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 realisation 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 causes 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. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of subsection (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable.
- b. In respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

**For Singhi & Co.**

*Chartered Accountants*  
Firm Registration No.302049E

**(Gopal Jain)**

*Partner*

Membership No. 059147

UDIN: 22059147AJPBHV3396

Place: Indore

Dated: 25<sup>th</sup> May 2022



## Annexure “B” to the Independent Auditor’s Report

“Annexure B” to the Independent Audit Report of even date on the Financial Statements of Associated Alcohols & Breweries Limited.

### REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls with reference to financial statements of Associated Alcohols & Breweries Limited (“the Company”) as of March 31, 2022 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

#### Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 Singhi & Co.**

*Chartered Accountants*  
Firm Registration No.302049E

**(Gopal Jain)**

*Partner*

Membership No. 059147

UDIN: 22059147AJPBHV3396

Place: Indore

Dated: 25<sup>th</sup> May 2022



## Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022		As at 31st March, 2021	
<b>ASSETS</b>					
<b>1 NON-CURRENT ASSETS</b>					
a Property Plant and Equipment	5	11,158.59		10,874.64	
b Capital Work-In-Progress	6	2,358.99		922.89	
c Intangible Assets	7	14.91		11.13	
d Right of Use Assets	8	97.99	13,630.48	171.82	11,980.48
e Financial Assets					
i Investments	9	2,489.23		256.32	
ii Other Financial Assets	10	2,560.69		151.23	
f Non-Current Tax Assets	11	60.04		118.71	
g Other Non-Current Assets	12	1,917.54	7,027.50	398.24	924.50
<b>2 CURRENT ASSETS</b>					
a Inventories	13	6,495.44		5,766.38	
b Financial Assets					
i Trade Receivables	14	2,358.11		3,894.75	
ii Cash and Cash Equivalents	15	203.86		132.60	
iii Bank Balances other than above	16	7,895.78		7,700.25	
iv Loans	17	675.25		1,563.46	
v Other Financial Assets	18	471.93		227.84	
c Other Current Assets	19	1,263.05	19,363.42	784.56	20,069.84
<b>Total Assets</b>			<b>40,021.40</b>		<b>32,974.82</b>
<b>EQUITY AND LIABILITIES</b>					
<b>1 EQUITY</b>					
a Equity Share Capital	20	1,807.92		1,807.92	
b Other Equity	21	29,476.21	31,284.13	23,375.01	25,182.93
<b>2 LIABILITIES</b>					
<b>NON-CURRENT LIABILITIES</b>					
a Financial Liabilities					
i Borrowings	22	133.49		192.92	
ii Lease Liabilities	23	80.89		100.41	
b Provisions	24	112.56		157.48	
c Deferred Tax Liabilities (Net)	25	436.39		520.54	
d Non-Current Tax Liabilities (Net)	26	33.27	796.60	21.64	992.99
<b>CURRENT LIABILITIES</b>					
a Financial Liabilities					
i Borrowings	27	319.96		759.83	
ii Lease Liabilities	28	9.76		70.45	
iii Trade Payables	29				
- Total outstanding dues of micro enterprises and small enterprises; and		506.18		104.82	
- Total outstanding dues of creditors other than micro enterprises and small enterprises		4,240.37		3,168.75	
iv Other Financial Liabilities	30	1,871.30		1,434.12	
b Other Current Liabilities	31	988.89		995.95	
c Provisions	32	4.21		2.77	
d Current tax liabilities (Net)	33	-	7,940.67	262.21	6,798.90
<b>Total Equity and Liabilities</b>			<b>40,021.40</b>		<b>32,974.82</b>
Basis of Accounting	2				
Significant Accounting Policies	3				
Significant Judgement & Key Estimate	4				

Accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Singhi & Co.**

Chartered Accountants

(Firm Registration No.302049E)

**(Gopal Jain)**

Partner

(Membership No.059147)

Indore

25<sup>th</sup> May, 2022

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

**Tushar Bhandari**

Whole Time Director

DIN:03583114

**Nitin Tibrewal**

Director

DIN:01892892

**Sanjay Kumar Tibrewal**

Whole Time Director and CFO

DIN: 00737877

**Sumit Jaitely**

Company Secretary



## Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakhs unless otherwise stated)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>INCOME</b>			
Revenue from Operations	34	51,422.45	45,317.16
Other Income	35	1,416.00	462.09
<b>Total Income</b>	<b>(A)</b>	<b>52,838.45</b>	<b>45,779.25</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	36	23,962.69	18,402.57
Purchases of Stock -in- Trade	37	97.49	86.47
Changes in Inventories of Finished Goods & Work-in-Progress	38	(138.41)	222.45
Excise Duty		163.80	1,744.93
Employee Benefits Expense	39	3,158.86	2,526.40
Finance Costs	40	93.18	146.91
Depreciation and Amortisation Expense	41	1,427.56	1,406.70
Power and Fuel		5,893.67	4,376.20
Other Expenses	42	10,063.37	9,019.08
<b>Total Expenses</b>	<b>(B)</b>	<b>44,722.21</b>	<b>37,931.71</b>
<b>Profit before Exceptional Items and Tax</b>		<b>8,116.24</b>	<b>7,847.54</b>
Exceptional Items	(C)	-	-
<b>Profit before Tax</b>	<b>(D)=(A-B-C)</b>	<b>8,116.24</b>	<b>7,847.54</b>
Tax Expense:	43		
Current Tax		2,121.89	2,172.17
Deferred Tax		(86.21)	(120.30)
<b>Total Tax Expenses</b>	<b>(E)</b>	<b>2,035.68</b>	<b>2,051.87</b>
<b>Profit after Tax</b>	<b>(F)=(D-E)</b>	<b>6,080.56</b>	<b>5,795.67</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit plan		8.17	4.92
b) Equity instrument through Other Comprehensive Income		195.32	37.32
c) Income tax relating to above items		(2.06)	(1.24)
<b>Other Comprehensive Income for the Year (Net of Tax)</b>	<b>(G)</b>	<b>201.43</b>	<b>41.00</b>
<b>Total Comprehensive Income for the Year</b>	<b>(F+G)</b>	<b>6,281.99</b>	<b>5,836.67</b>
<b>Earnings per Equity Shares of par value of Rs. 10 each</b>			
Basic & Diluted Earnings Per Share (Rs.)	44	33.63	32.06
Basis of Accounting	2		
Significant Accounting Policies	3		
Significant Judgement & Key Estimate	4		

Accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Singhi & Co.**

Chartered Accountants

(Firm Registration No.302049E)

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

**(Gopal Jain)**

Partner

(Membership No.059147)

**Tushar Bhandari**

Whole Time Director

DIN:03583114

**Sanjay Kumar Tibrewal**

Whole Time Director and CFO

DIN: 00737877

Indore

25<sup>th</sup> May, 2022

**Nitin Tibrewal**

Director

DIN:01892892

**Sumit Jaitely**

Company Secretary



## Cash Flow Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before TAX	8,116.24	7,847.54
<b>Adjustments for:</b>		
Depreciation / Amortisation	1,427.56	1,406.70
Finance Cost	93.18	146.91
Impairment allowances of Doubtful Debts/ Advances	269.56	108.61
Bad debts	89.80	-
Interest Income	(581.18)	(378.22)
(Profit)/Loss on disposal of Property Plant & Equipment	(87.22)	-
Provision no longer required written back	(81.00)	-
Gain/(Loss) on Sale/Mark to Market of Non current Investment	(30.04)	-
Sundry Balances Written Back	(471.30)	(73.26)
Advances written off	3.92	5.20
Other Provisions Created/(utilised)	19.72	237.07
<b>Operating Profit before Working Capital Changes</b>	<b>8,769.24</b>	<b>9,300.55</b>
<b>Movement in Working Capital :</b>		
(Increase)/Decrease in Trade Receivables	1,209.28	(25.53)
(Increase)/Decrease in Inventories	(748.78)	(311.07)
(Increase)/Decrease in Financial Assets	(206.88)	189.04
(Increase)/Decrease in Other Assets	(620.12)	(395.77)
Increase/(Decrease) in Trade Payables	1,944.28	(226.02)
Increase/(Decrease) in Financial Liabilities	(60.55)	236.79
Increase/(Decrease) in Other Liabilities & Provisions	(58.71)	(148.77)
<b>Cash Generated from Operations</b>	<b>10,227.76</b>	<b>8,619.22</b>
Direct Taxes Paid	(2,304.50)	(1,949.25)
<b>Net Cash Flow generated from Operating Activities</b>	<b>7,923.26</b>	<b>6,669.97</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Property Plant & Equipment, CWIP and Intangible Assets	(3,973.29)	(1,245.02)
Proceed from the Sale of Property Plant & Equipment	96.05	-
Purchase of Non Current Investments	(2,000.55)	-
Loan (Given)/Refund (Net)	894.78	134.16
Bank balances other than Cash and Cash Equivalents	(2,319.54)	(5,756.37)
Interest Income received	304.52	395.66
<b>Net Cash Flow used in Investing Activities</b>	<b>(6,998.03)</b>	<b>(6,471.57)</b>

## Cash Flow Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>C Cash Flow from Financing Activities</b>		
Proceeds from Non Current Borrowings	-	170.66
Repayment of Non Current Borrowings	(59.43)	(680.61)
Proceeds from/(Repayment) of Current Borrowings (Net)	(439.87)	575.12
Proceeds from/(Repayment) of Lease Liabilities	(66.41)	(69.27)
Finance Cost paid	(93.67)	(132.53)
Interest Paid on Lease Liabilities	(13.80)	(20.49)
Dividend Paid	(180.79)	(180.79)
<b>Net Cash Flow used in Financing Activities</b>	<b>(853.97)</b>	<b>(337.91)</b>
<b>Net increase/(decrease) in Cash and Cash equivalent (A+B+C)</b>	<b>71.26</b>	<b>(139.51)</b>
<b>Cash &amp; Cash equivalent at the beginning of the year</b>	<b>132.60</b>	<b>272.11</b>
<b>Cash &amp; Cash equivalent at the end of the year</b>	<b>203.86</b>	<b>132.60</b>

### Notes:

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- The composition of Cash & Cash Equivalent has been determined based on the Accounting Policy No. 3.2.
- Figures for the previous year have been re-grouped wherever considered necessary.
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- As per Ind AS 7, the company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The company did not have any material impact on the Statement of Cash Flows therefore reconciliation has not been given.

Basis of Accounting	2
Significant Accounting Policies	3
Significant Judgement & Key Estimate	4

Accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Singhi & Co.**

Chartered Accountants

(Firm Registration No.302049E)

**(Gopal Jain)**

Partner

(Membership No.059147)

Indore

25<sup>th</sup> May, 2022

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

**Tushar Bhandari**

Whole Time Director

DIN:03583114

**Nitin Tibrewal**

Director

DIN:01892892

**Sanjay Kumar Tibrewal**

Whole Time Director and CFO

DIN: 00737877

**Sumit Jaitely**

Company Secretary

## Statement of Change in Equity for the year ended 31st March, 2022

### a) Equity Share Capital

(₹ in Lakhs)

<b>Balance as at 1st April 2020</b>	1,807.92
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1st April 2020	1,807.92
Add/(Less): Changes in Equity Share Capital during the year	-
<b>Balance as at 31st March 2021</b>	<b>1,807.92</b>
<b>Balance as at 1st April 2021</b>	1,807.92
Add/(Less): Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1st April 2021	1,807.92
Add/(Less): Changes in Equity Share Capital during the year	-
<b>Balance as at 31st March, 2022</b>	<b>1,807.92</b>

### b) Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income		Total
	Securities Premium	General Reserve	Retained Earnings	Remeasurements of defined benefit plans	Equity instrument through Other Comprehensive Income	
Balance as at 1st April, 2020	163.10	1,189.07	16,347.96	-	19.00	17,719.13
Profit for the year	-	-	5,795.67	-	-	5,795.67
Other Comprehensive Income	-	-	-	3.68	37.32	41.00
<b>Total Comprehensive Income for the year</b>	-	-	<b>5,795.67</b>	<b>3.68</b>	<b>37.32</b>	<b>5,836.67</b>
Dividend	-	-	(180.79)	-	-	(180.79)
Transfer from Retained Earnings to General Reserve	-	100.00	(100.00)	-	-	-
Transfer of Remeasurements of defined benefit plans to Retained Earnings	-	-	3.68	(3.68)	-	-
	-	100.00	(277.11)	(3.68)	-	(180.79)
<b>Balance as at 31st March, 2021</b>	<b>163.10</b>	<b>1,289.07</b>	<b>21,866.52</b>	-	<b>56.32</b>	<b>23,375.01</b>
<b>Profit for the year</b>	-	-	<b>6,080.56</b>	-	-	<b>6,080.56</b>
Other Comprehensive Income	-	-	-	6.11	195.32	201.43
<b>Total Comprehensive Income for the year</b>	-	-	<b>6,080.56</b>	<b>6.11</b>	<b>195.32</b>	<b>6,281.99</b>
Dividend	-	-	(180.79)	-	-	(180.79)
Transfer from Retained Earnings to General Reserve	-	100.00	(100.00)	-	-	-
Transfer of Remeasurements of defined benefit plans to Retained Earnings	-	-	6.11	(6.11)	-	-
	-	100.00	(274.68)	(6.11)	-	(180.79)
<b>Balance as at 31st March, 2022</b>	<b>163.10</b>	<b>1,389.07</b>	<b>27,672.40</b>	-	<b>251.64</b>	<b>29,476.21</b>

Basis of Accounting 2  
Significant Accounting Policies 3  
Significant Judgement & Key Estimate 4  
Accompanying notes form an integral part of the financial statements.

As per our report of even date  
**For Singhi & Co.**  
Chartered Accountants  
(Firm Registration No.302049E)

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

**(Gopal Jain)**  
Partner  
(Membership No.059147)

**Tushar Bhandari**  
Whole Time Director  
DIN:03583114

**Sanjay Kumar Tibrewal**  
Whole Time Director and CFO  
DIN: 00737877

Indore  
25<sup>th</sup> May, 2022

**Nitin Tibrewal**  
Director  
DIN:01892892

**Sumit Jaitely**  
Company Secretary

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

### 1. CORPORATE AND GENERAL INFORMATION

Associated Alcohols & Breweries Limited ("the Company") is a public limited company domiciled and incorporated in India under the Companies Act 1956 and has its listing on the NSE Limited & BSE Limited. The registered office of the Company is situated at Indore, Madhya Pradesh. The Company is one of the leading and largest liquor manufacturers in Central India. The Company's principal business is manufacturing and trading of ENA, Indian Made Indian Liquor (Country Liquor), Indian Made Foreign Liquor and Hand sanitizer.

The Board of Directors have approved the financial statements for the year ended 31st March, 2022 and authorised for issue on 25th May, 2022.

### 2. BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENT

#### 2.1. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

#### 2.2. BASIS OF MEASUREMENT

The Company maintains accounts on accrual basis following the historical cost convention, except for followings:

- Certain Financial Assets and Liabilities is measured at Fair value/ Amortized cost (refer accounting policy regarding financial instruments);
- Defined Benefit Plans – Plan assets measured at fair value.

#### 2.3. FUNCTIONAL AND PRESENTATION CURRENCY

The Financial Statements are presented in Indian Rupee (INR), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs (with two places of decimal) as per the requirements of Schedule III, unless otherwise stated.

#### 2.4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with Ind AS requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### 2.5. PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet, the Statement of Profit and Loss and the Statement of change in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

#### 2.6. OPERATING CYCLE FOR CURRENT AND NON-CURRENT CLASSIFICATION

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

All the other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

### 2.7. MEASUREMENT OF FAIR VALUES

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurements unobservable.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

### 2.8. RECENT ACCOUNTING DEVELOPMENTS

- i. The amendments to the Schedule III of the Companies Act 2013 are applicable to the Company w.e.f 01st April, 2021. The Company has given effect of the amendments by inclusions of the relevant disclosures by way of additional notes and explanatory notes wherever required.
- ii. On 23rd March, 2022 Ministry of Corporate Affairs has brought out certain amendments in Ind As 103 "Business Combinations", Ind As 16 "Property Plant and Equipments" and Ind As 37 "Provisions, Contingent Liabilities and Contingent Assets". The Company is in the process of evaluating the impact of these amendments on the financial statements of the Company.

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

### 3. ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

#### 3.1. 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.

#### 3.2. CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, term deposits and other short-term highly liquid investments, net of bank overdrafts as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within short term borrowings in the balance sheet.

#### 3.3. INCOME TAX

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognized in the statement of profit & loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

##### 3.3.1. Current Tax:

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

##### 3.3.2. Deferred Tax:

- Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

### 3.4. PROPERTY, PLANT AND EQUIPMENT

#### 3.4.1. Tangible Assets

##### 3.4.1.1. Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any), except for freehold land which are carried at historical cost.
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

##### 3.4.1.2. Subsequent Measurement:

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.

##### 3.4.1.3. Depreciation and Amortization:

- Depreciation on Property, Plant & Equipment is provided on Straight Line Method in terms of life span of assets prescribed in Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components.

Category	Useful life (Years)
<b>Buildings</b>	
Non-Factory Building (RCC Frame Structure)	30/60
Fences	5
Factory Building	30
<b>Plant and machinery</b>	
Other than Continuous Process Plant	5/10/15/20
<b>Computer equipment</b>	
Servers and networks	6
Others	3
<b>Furniture and Fixtures</b>	10
<b>Office equipment</b>	5
<b>Vehicles</b>	
Motor cycles, scooters	10
Others	8



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

- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### 3.4.1.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

### 3.4.1.5. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

## 3.5. LEASES

### 3.5.1. Company as a lessee

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 3.5.2. Company as a lessor

#### ▶ Finance Lease

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

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

### ▶ Operating Lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

### 3.6. REVENUE RECOGNITION

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognized as per the terms of relevant contractual Agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

A refund liability is recognized for expected returns in relation to sales made corresponding assets are recognized for the products expected to be returned.

#### 3.6.1. Revenue from tie-up manufacturing arrangements:

The company has entered into arrangement with Contract Manufacturing Unit (CMU), where-in CMU manufactures and sells on behalf of the Company. Accordingly, the transactions of the CMU under such arrangements have been recorded as gross revenue, excise duty and expenses as they were transactions of the Company.

### 3.7. EMPLOYEE BENEFITS

#### 3.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

#### 3.7.2. Other Long Term Employee Benefits

The liabilities for earned/privilege leave that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

#### 3.7.3. Post-Employment Benefits

The Company operates the following post-employment schemes:

##### ▶ Defined Contribution Plan

Defined contribution plans such as Provident Fund, Employee State Insurance etc. are charged to the statement of profit and loss as and when incurred and paid to Authority.

##### ▶ Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

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

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurements recognized in other comprehensive income are reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

### 3.8. FOREIGN CURRENCY TRANSACTIONS

- Foreign currency (other than the functional currency) transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

### 3.9. BORROWING COSTS

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes foreign exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale.
- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 3.10. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 3.10.1. Financial Assets

##### ▶ Recognition and Initial Measurement:

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### ▶ Classification and Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments designated at Fair Value through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the profit or loss.

This category generally applies to trade receivables, cash and bank balances, loans and other financial assets of the company.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. Equity instruments which are, held for trading are classified as at FVTPL.
- Equity Instruments designated at FVTOCI: For equity instruments, which has not been classified as FVTPL as above, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

### ► Derecognition:

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### ► Impairment of Financial Assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes impairment loss for trade receivables that do not constitute a financing transaction using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### 3.10.2. Financial Liabilities

#### ► Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### ► Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

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

### ▶ **Financial Guarantee Contracts:**

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

### ▶ **Derecognition:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

### **3.10.3. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### **3.11. Earnings Per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### **3.12. Impairment of Non-Financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### **3.13. Provisions, Contingent Liabilities and Contingent Assets**

#### **3.13.1. Provisions**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

#### **3.13.2. Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

#### **3.13.3. Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

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

### 3.14. Intangible Assets

#### 3.14.1. Recognition and Measurement

Intangible asset are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

#### 3.14.2. Amortization

- Software's are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

### 3.15. Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the chief operating decision maker.

The Company has identified one reportable segment "Potable Alcohol" based on the information reviewed by the CODM.

## 4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Information about Significant judgments and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.
- **Classification of Leases:** The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised.

Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgment by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgments' is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

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

### 5 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2022								
	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1st April 2021	Additions	Disposals	As at 31st March, 2022	As at 1st April 2021	Depreciation charged during the year	Deductions	As at 31st March, 2022	
Freehold Land	418.71	-	6.03	412.68	-	-	-	-	412.68
<b>Sub-Total</b>	<b>418.71</b>	<b>-</b>	<b>6.03</b>	<b>412.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>412.68</b>
Buildings	1,919.02	9.61	-	1,928.63	352.38	82.31	-	434.69	1,493.94
Plant and Equipment	12,428.17	1,548.62	6.46	13,970.33	4,700.25	1,074.45	6.14	5,768.56	8,201.77
Furniture & Fixtures	745.81	-	-	745.81	258.28	68.13	-	326.41	419.40
Office Equipment	103.65	14.90	-	118.55	66.22	13.32	-	79.54	39.01
Vehicles	927.30	59.57	49.59	937.28	310.14	104.73	47.12	367.75	569.53
Computer	93.86	11.34	-	105.20	74.61	8.33	-	82.94	22.26
<b>Sub-Total</b>	<b>16,217.81</b>	<b>1,644.04</b>	<b>56.05</b>	<b>17,805.80</b>	<b>5,761.88</b>	<b>1,351.27</b>	<b>53.26</b>	<b>7,059.89</b>	<b>10,745.91</b>
<b>Total</b>	<b>16,636.52</b>	<b>1,644.04</b>	<b>62.08</b>	<b>18,218.48</b>	<b>5,761.88</b>	<b>1,351.27</b>	<b>53.26</b>	<b>7,059.89</b>	<b>11,158.59</b>

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2021								
	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount
	As at 1st April 2020	Additions	Disposals	As at 31st March 2021	As at 1st April 2020	Depreciation charged during the year	Deductions	As at 31st March 2021	
Freehold Land	418.71	-	-	418.71	-	-	-	-	418.71
<b>Sub-Total</b>	<b>418.71</b>	<b>-</b>	<b>-</b>	<b>418.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>418.71</b>
Buildings	1,852.87	66.15	-	1,919.02	264.71	87.67	-	352.38	1,566.64
Plant and Equipment	11,223.39	1,204.78	-	12,428.17	3,646.64	1,053.61	-	4,700.25	7,727.92
Furniture & Fixtures	742.63	3.18	-	745.81	181.00	77.28	-	258.28	487.53
Office Equipment	97.94	5.71	-	103.65	50.50	15.72	-	66.22	37.43
Vehicles	705.44	221.86	-	927.30	226.97	83.17	-	310.14	617.16
Computer	85.22	8.64	-	93.86	60.69	13.92	-	74.61	19.25
<b>Sub-Total</b>	<b>14,707.49</b>	<b>1,510.32</b>	<b>-</b>	<b>16,217.81</b>	<b>4,430.51</b>	<b>1,331.37</b>	<b>-</b>	<b>5,761.88</b>	<b>10,455.93</b>
<b>Total</b>	<b>15,126.20</b>	<b>1,510.32</b>	<b>-</b>	<b>16,636.52</b>	<b>4,430.51</b>	<b>1,331.37</b>	<b>-</b>	<b>5,761.88</b>	<b>10,874.64</b>

#### Notes:

- 5.1 Refer note no. 46 for information on Property Plant and Equipment pledged as securities by the Company .
- 5.2 During the year no revaluation has been carried out in respect of Property Plant and Equipment.
- 5.3 All Immovable properties are held in the name of the Company.



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

### 6 CAPITAL WORK-IN-PROGRESS

Movement of Capital work in progress are as below :-

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	922.89	1,119.04
Add: Addition during the year	2,356.69	858.11
Less: Capitalised during the year	(920.59)	(1,054.26)
<b>Closing balance at the end of year</b>	<b>2,358.99</b>	<b>922.89</b>

Notes:

#### 6.1 CWIP ageing schedule as at 31st March, 2022 :

(₹ in Lakhs)

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	2,356.69	2.30	-	-	2,358.99
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,356.69</b>	<b>2.30</b>	<b>-</b>	<b>-</b>	<b>2,358.99</b>

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

Particulars	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Grain Weighing System	2.30	-	-	-
<b>Total</b>	<b>2.30</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 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	858.11	64.78	-	-	922.89
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>858.11</b>	<b>64.78</b>	<b>-</b>	<b>-</b>	<b>922.89</b>

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

Particulars	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Narmada water line Project	819.34	-	-	-
Bag Slitting machine	23.48	-	-	-
Grain Weighing System	-	2.30	-	-
<b>Total</b>	<b>842.82</b>	<b>2.30</b>	<b>-</b>	<b>-</b>

Notes:

6.2 Refer note no. 46 for information on Property Plant and Equipment pledged as securities by the Company.



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

### 7 INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2022								Net Carrying Amount
	Gross Carrying Amount				Accumulated Amortisation				
	As at 1st April 2021	Additions	Disposals	As at 31st March, 2022	As at 1st April 2021	Amortisation charged during the year	Deductions	As at 31st March, 2022	
Computer Software	157.06	6.24	-	163.30	145.93	2.46	-	148.39	14.91
<b>Total</b>	<b>157.06</b>	<b>6.24</b>	<b>-</b>	<b>163.30</b>	<b>145.93</b>	<b>2.46</b>	<b>-</b>	<b>148.39</b>	<b>14.91</b>

(₹ in Lakhs)

Particulars	Year Ended 31st March 2021								Net Carrying Amount
	Gross Carrying Amount				Accumulated Amortisation				
	As at 1st April 2020	Additions	Disposals	As at 31st March 2021	As at 1st April 2020	Amortisation charged during the year	Deductions	As at 31st March 2021	
Computer Software	157.06	-	-	157.06	144.44	1.49	-	145.93	11.13
<b>Total</b>	<b>157.06</b>	<b>-</b>	<b>-</b>	<b>157.06</b>	<b>144.44</b>	<b>1.49</b>	<b>-</b>	<b>145.93</b>	<b>11.13</b>

#### Notes:

7.1 During the year no revaluation has been carried out in respect of intangible assets.

### 8 RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2022								Net Carrying Amount
	Gross Carrying Amount				Accumulated Depreciation				
	As at 1st April 2021	Additions during the year	Disposals	As at 31st March, 2022	As at 1st April 2021	Depreciation charged during the year	Deductions	As at 31st March, 2022	
Leasehold Land	29.04	-	-	29.04	1.85	0.96	-	2.81	26.23
<b>Sub-Total</b>	<b>29.04</b>	<b>-</b>	<b>-</b>	<b>29.04</b>	<b>1.85</b>	<b>0.96</b>	<b>-</b>	<b>2.81</b>	<b>26.23</b>
Buildings	290.37	-	-	290.37	145.74	72.87	-	218.61	71.76
<b>Sub-Total</b>	<b>290.37</b>	<b>-</b>	<b>-</b>	<b>290.37</b>	<b>145.74</b>	<b>72.87</b>	<b>-</b>	<b>218.61</b>	<b>71.76</b>
<b>Total</b>	<b>319.41</b>	<b>-</b>	<b>-</b>	<b>319.41</b>	<b>147.59</b>	<b>73.83</b>	<b>-</b>	<b>221.42</b>	<b>97.99</b>

(₹ in Lakhs)

Particulars	Year Ended 31st March, 2021								Net Carrying Amount
	Gross Carrying Amount				Accumulated Depreciation				
	As at 1st April 2020	Additions during the year	Disposals	As at 31st March 2021	As at 1st April 2020	Depreciation charged during the year	Deductions	As at 31st March 2021	
Leasehold Land	29.04	-	-	29.04	0.88	0.97	-	1.85	27.19
<b>Sub-Total</b>	<b>29.04</b>	<b>-</b>	<b>-</b>	<b>29.04</b>	<b>0.88</b>	<b>0.97</b>	<b>-</b>	<b>1.85</b>	<b>27.19</b>
Buildings	290.37	-	-	290.37	72.87	72.87	-	145.74	144.63
<b>Sub-Total</b>	<b>290.37</b>	<b>-</b>	<b>-</b>	<b>290.37</b>	<b>72.87</b>	<b>72.87</b>	<b>-</b>	<b>145.74</b>	<b>144.63</b>
<b>Total</b>	<b>319.41</b>	<b>-</b>	<b>-</b>	<b>319.41</b>	<b>73.75</b>	<b>73.84</b>	<b>-</b>	<b>147.59</b>	<b>171.82</b>

#### Notes:

8.1 The Company has taken land and building on leases for lease period ranging from 5 to 90 years. Lease term includes non-cancellable period and expected lease period.

8.2 Refer note no. 46 for information on Right of Use Assets pledged as securities by the Company.



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

### 9 NON - CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>A INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>		
<b>Investments in Unquoted Equity Instruments</b>		
2,00,000 [Previous Year 2,00,000] equity shares of Rs.10 each fully paid up of Mount Everest Breweries Limited	451.64	256.32
<b>B INVESTMENTS IN UNQUOTED DEBENTURES AT AMORTISED COST</b>		
20 [Previous Year Nil] NCD of Rs 10 Lakhs each in Piramal Enterprises Limited SR 01 BR NCD 27MR24	208.07	-
<b>C INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS ACCOUNT</b>		
<b>Investments in Unquoted Mutual Funds</b>		
(i) 23,50,478.587 [Previous Year Nil] bond of Rs 10/- each in Bharat Bond FOF April 2025 Direct Plan	254.39	-
(ii) 20,00,380.096 [Previous Year Nil] bond of Rs.10/- each in Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund	203.56	-
(iii) 33,99,080.511 [Previous Year Nil] fund of Rs. 10/- each in Tata Arbitrage Fund Direct Plan Growth	407.40	-
(iv) 20,01,921.946 [Previous Year Nil] bond of Rs. 10/- each in ICICI Prudential PSU Bond Plus SDL 40:60 Index Fund Sep 2027	203.68	-
(v) 2,49,988 [Previous Year Nil] fund of Rs. 100/- each in ICICI Prudential Long Short Fund Series I Class A 40 Oct 2021	256.54	-
(vi) 4,99,975 [Previous Year Nil] fund of Rs. 100/- each in Alpha Alternative MSAR LLP class A1 Nov 2021	503.95	-
	<b>2,489.23</b>	<b>256.32</b>
<b>Aggregate Amount of Unquoted Investments-At Cost</b>	<b>2,200.98</b>	<b>200.00</b>
<b>Aggregate Amount of Unquoted Investments-At Market value</b>	<b>2,489.23</b>	<b>256.32</b>

### 10 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Fixed Deposits with Banks (Maturities over 12 months)	10.1 & 10.2	2,420.88	19.29
Security deposits (Unsecured & Considered good)		139.81	131.94
		<b>2,560.69</b>	<b>151.23</b>

**10.1** Includes deposit of Rs. 74.62 Lakhs (PY 2021: Rs. 19.29 Lakhs) held as margin money & security against tender and label registration including interest accrued.

**10.2** Refer Note No. 46 for information related to other financial assets pledged as securities by the Company .

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

### 11 NON-CURRENT TAX ASSET (NET)

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Income Tax Appeal Deposit	11.1	60.04	118.71
		<b>60.04</b>	<b>118.71</b>

11.1 During the year, the company has received a refund of Rs. 64.35 Lakhs including interest of Rs. 5.68 Lakhs as against the income tax paid under protest in relation to the income tax proceedings for the AY 2012-13 to 2017-18 and 2018-19 as reported in the previous year. The Company is in the process of getting refund of the balance amount.

### 12 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Capital Advances			
Secured and Considered good		838.25	-
Unsecured and Considered good		585.32	45.90
Unsecured and Considered doubtful		32.00	-
		1,455.57	45.90
Less: Impairment allowances for doubtful advances	12.1	(32.00)	-
		1,423.57	45.90
Advances other than Capital Advances			
Deposit - Appeals		493.97	352.34
		<b>1,917.54</b>	<b>398.24</b>

#### 12.1 Movement in Impairment allowances for doubtful advances:

(₹ in Lakhs)

Particulars	Amount
As on 1st April, 2020	-
Add: Created	-
Less: Utilized/ Reversed	-
<b>As on 31st March, 2021</b>	<b>-</b>
As on 1st April, 2021	-
Add: Created	32.00
Less: Utilized/ Reversed	-
<b>As on 31st March, 2022</b>	<b>32.00</b>

12.2 Refer Note No. 46 for information related to other non current assets pledged as securities by the Company .



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

### 13 INVENTORIES

(At lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	Refer Note No.	As at	As at
		31st March, 2022	31st March, 2021
Raw Materials		1,303.75	1,014.48
Work-in-Progress /Semi Finished goods		584.15	725.04
Finished Goods		2,705.65	2,426.35
Stores and Spares	13.1	821.29	514.50
Packing Materials (net of obsolescence)	13.3	1,080.60	1,086.01
		<b>6,495.44</b>	<b>5,766.38</b>

13.1 The above includes goods-in-transit as under:

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2022	31st March, 2021
Stores & Spares	10.47	7.24
	<b>10.47</b>	<b>7.24</b>

13.2 Refer Note No. 46 for information on inventories pledged as securities by the Company.

13.3 The net provision on Obsolete & Non moving item is, recognized as expense during the year and included in Other manufacturing expenses in Statement of Profit & Loss, amounting to Rs. 299.89 Lakhs (PY 2021 Rs.280.17 lakhs).

### 14 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	Refer Note No.	As at	As at
		31st March, 2022	31st March, 2021
Trade Receivables	14.1		
(a) Trade Receivables Considered good - Secured		-	23.22
(b) Trade Receivables Considered good - Unsecured		2,358.11	3,871.53
(c) Trade Receivables which have significant increase in Credit Risk; and		-	-
(d) Trade Receivables - credit impaired		363.68	126.13
		2,721.79	4,020.88
Less: Allowances for Credit Impairment	14.2	(363.68)	(126.13)
		<b>2,358.11</b>	<b>3,894.75</b>

14.1 Refer Note No. 46 for information on Trade Receivables pledged as securities by the Company.

14.2 Movement in Impairment allowances for Doubtful Receivables:

Particulars	Amount
As on 1st April, 2020	109.75
Add: Created	27.61
Less: Utilized/ Reversed	(11.23)
<b>As on 31st March, 2021</b>	<b>126.13</b>
As on 1st April, 2021	126.13
Add: Created	237.55
Less: Utilized/ Reversed	-
<b>As on 31st March, 2022</b>	<b>363.68</b>

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

### 14.3 Trade Receivables ageing schedule

#### Trade Receivables ageing schedule as at 31st March 2022

S. No	Particulars	Outstanding for the following periods from due date of payment						Total
		Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 year	
1	Undisputed Trade receivables – considered good	-	2,159.80	122.51	66.33	9.48	-	2,358.12
2	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
3	Undisputed Trade Receivables – credit impaired	-	96.30	8.69	133.46	9.76	36.60	284.81
4	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
5	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
6	Disputed Trade Receivables – credit impaired	-	-	-	30.91	43.88	4.07	78.86
<b>SUB-TOTAL</b>		-	<b>2,256.10</b>	<b>131.20</b>	<b>230.70</b>	<b>63.12</b>	<b>40.67</b>	<b>2,721.79</b>
7	Allowances for Credit Impairment							(363.68)
<b>TOTAL</b>								<b>2,358.11</b>

#### Trade Receivables ageing schedule as at 31st March 2021

S. No	Particulars	Outstanding for the following periods from due date of payment						Total
		Not Due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 year	
1	Undisputed Trade receivables – considered good	0.01	3,599.35	270.22	25.18	-	-	3,894.75
2	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
3	Undisputed Trade Receivables – credit impaired	-	-	17.97	9.27	31.19	13.47	71.90
4	Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
5	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
6	Disputed Trade Receivables – credit impaired	-	25.14	-	24.47	4.62	-	54.23
<b>SUB-TOTAL</b>		<b>0.01</b>	<b>3,624.49</b>	<b>288.19</b>	<b>58.92</b>	<b>35.81</b>	<b>13.47</b>	<b>4,020.88</b>
7	Allowances for Credit Impairment							(126.13)
<b>TOTAL</b>								<b>3,894.75</b>

14.4 The are no unbilled trade receivables at the balance sheet date.



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

### 15 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Balances With Banks :	15.1		
In Current Accounts		174.86	78.22
Cash on Hand		29.00	54.38
		<b>203.86</b>	<b>132.60</b>

15.1 Refer Note No. 46 for information related to cash and cash equivalents pledged as securities by the Company.

### 16 BANK BALANCES OTHER THAN ABOVE

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Fixed Deposits with Banks (having maturity of more than 3 months but less than 12 months)	16.1	7,847.30	7,659.00
Balance in :-			
- Unpaid Dividend Accounts		48.48	40.99
- Current Accounts	16.2	-	0.26
		<b>7,895.78</b>	<b>7,700.25</b>

16.1 Includes deposit of Rs. 216.77 Lakhs (PY 2021: Rs. 364.39 Lakhs) held as margin money & security against tender and label registration.

16.2 These Current accounts are in the nature of collection account and are operated by Madhya Pradesh State Excise Department for the collection of IMFL proceeds.

16.3 Refer Note No. 46 for information related to bank balances other than cash and cash equivalents pledged as securities by the Company.

### 17 LOANS (Unsecured & Considered good)

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>Loans to body corporates/ others</b>	60		
- Unsecured Considered good		643.99	1,529.73
- Unsecured Considered doubtful		-	-
<b>Loans and advances to employees</b>	17.1		
- Unsecured Considered good		31.26	33.73
- Unsecured Considered doubtful		-	-
		<b>675.25</b>	<b>1,563.46</b>

17.1 Rs. Nil Lakhs (PY 2021 Nil Lakhs) is due from a director of the company.

17.2 Refer Note No. 46 for information related to loans pledged as securities by the Company.

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

### 18 OTHERS FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>Security Deposit</b>			
- Considered good	18.1	471.93	227.84
- Considered doubtful		-	81.00
		471.93	308.84
Less: Provision for doubtful Security Deposit	18.2	-	81.00
		<b>471.93</b>	<b>227.84</b>

18.1 Refer Note No. 46 for information related to other financial assets pledged as securities by the Company .

18.2 Movement in Impairment allowances for doubtful security deposit:

Particulars	Amount
As on 1st April, 2020	81.00
Add: Created	-
Less: Utilized/ Reversed	-
<b>As on 31st March, 2021</b>	<b>81.00</b>
As on 1st April, 2021	81.00
Add: Created	-
Less: Utilized/ Reversed	(81.00)
<b>As on 31st March, 2022</b>	<b>-</b>

### 19 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Advances for supply of goods and rendering of services			
Considered good		309.64	142.96
Considered doubtful		1.90	1.90
		311.54	144.86
Less: Provision for doubtful advances	19.1	(1.90)	(1.90)
		309.64	142.96
Balances with Government & Statutory Authorities		418.95	71.99
Prepaid Expenses		534.46	569.61
		<b>1,263.05</b>	<b>784.56</b>



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

### 19 OTHER CURRENT ASSETS (Contd.)

#### 19.1 Movement in Impairment allowances for doubtful advances:

Particulars	Amount
As on 1st April, 2020	7.84
Add: Created	-
Less: Utilized/ Reversed	(5.94)
<b>As on 31st March, 2021</b>	<b>1.90</b>
As on 1st April, 2021	1.90
Add: Created	-
Less: Utilized/ Reversed	-
<b>As on 31st March, 2022</b>	<b>1.90</b>

19.2 Refer Note No. 46 for information related to other current assets pledged as securities by the Company.

### 20 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>20.1 Authorised Share Capital</b>				
<b>Equity Shares:</b>				
Equity Shares of Rs. 10/- each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
	<b>2,50,00,000</b>	<b>2,500.00</b>	<b>2,50,00,000</b>	<b>2,500.00</b>
<b>20.2 Issued Share Capital</b>				
Equity Shares of Rs. 10/- each	1,80,79,200	1,807.92	1,80,79,200	1,807.92
	<b>1,80,79,200</b>	<b>1,807.92</b>	<b>1,80,79,200</b>	<b>1,807.92</b>
<b>20.3 Subscribed and Paid-up Share Capital</b>				
Equity Shares of Rs. 10/- each fully paid-up	1,80,79,200	1,807.92	1,80,79,200	1,807.92
	<b>1,80,79,200</b>	<b>1,807.92</b>	<b>1,80,79,200</b>	<b>1,807.92</b>

#### 20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

#### 20.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e. Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

#### 20.6 Shareholding Pattern with respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.



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

### 20 EQUITY SHARE CAPITAL (Contd.)

#### 20.7 Details of Equity Shareholders holding more than 5% shares in the Company

Name of Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% Holding	No. of Shares	% Holding
<b>Equity Shares of Rs. 10/- each fully paid</b>				
Smt. Ramdulari Kedia	19,71,600	10.91%	19,71,600	10.91%
Smt. Shweta Kedia	15,42,000	8.53%	15,42,000	8.53%
Smt. Sangita Kedia	14,86,400	8.22%	14,86,400	8.22%
Shri Prasann Kumar Kedia	956,200	5.29%	956,200	5.29%

20.8 No equity shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 No equity shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

20.10 No securities convertible into equity shares have been issued by the Company during the year.

20.11 No calls are unpaid by any Director or Officer of the Company during the year.

#### 20.12 Details of Shareholding of Promoters & Promoters group in the Company

S. No	Particulars	No. of Shares as at 31st March, 2022	No. of Shares as at 31st March, 2021	% of total shares as at 31st March, 2022	% of total shares as at 31st March, 2021	% Change during the year
<b>PROMOTER</b>						
1	RAM DULARI KEDIA	1,971,600	1,971,600	10.91%	10.91%	-
2	ANAND KUMAR KEDIA	727,400	727,400	4.02%	4.02%	-
3	PRASANN KUMAR KEDIA	956,200	956,200	5.29%	5.29%	-
<b>PROMOTER GROUP</b>						
1	SANGITA KEDIA	1,486,400	1,486,400	8.22%	8.22%	-
2	SHWETA KEDIA	1,542,000	1,542,000	8.53%	8.53%	-
3	ANSHUMAN KEDIA	903,800	903,800	5.00%	5.00%	-
4	PRASANN KUMAR KEDIA (HUF)	896,600	896,600	4.96%	4.96%	-
5	BHAGWATI PRASAD PRASANN KUMAR (HUF)	789,640	789,640	4.37%	4.37%	-
6	BHAGWATI PRASAD KEDIA (HUF)	492,400	492,400	2.72%	2.72%	-
7	RAMDULARI ANAND KUMAR (HUF)	480,000	480,000	2.65%	2.65%	-
8	ANAND KUMAR KEDIA (HUF)	320,400	320,400	1.77%	1.77%	-

20.13 The shareholding pattern has been disclosed based on the information shared by the registrar and share transfer agent of the Company on the respective balance sheet date.



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

### 21 OTHER EQUITY

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Securities Premium	21.1	163.10	163.10
General Reserve	21.2	1,389.07	1,289.07
Retained Earnings	21.3	27,672.40	21,866.52
Other Comprehensive Income	21.4	251.64	56.32
		29,476.21	23,375.01

#### Nature/ Purpose of each reserve

- a) Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.
- b) General Reserve: The reserve arises on transfer portion of the net profit to general reserve.
- c) Retained Earning: Generally represents the undistributed profit/amount of accumulated earnings of the company.
- d) "Other Comprehensive Income (OCI) : Other Comprehensive Income (OCI) represents the balance in equity for items to be accounted under OCI and comprises of the following:
  - i) Equity Instruments through OCI: The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income.
  - ii) Remeasurement of defined benefit obligations: The actuarial gains and losses arising on defined benefit obligations have been recognised in OCI. The amount is subsequently transferred to retained earnings as per the Schedule III requirement.

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>21.1 Securities Premium</b>		
Balance at the beginning and at the end of the year	163.10	163.10
<b>21.2 General Reserve</b>		
Balance at the beginning of the year	1,289.07	1,189.07
Add: Transfer from Retained Earnings	100.00	100.00
Balance at the end of the year	1,389.07	1,289.07
<b>21.3 Retained Earnings</b>		
Balance at the beginning of the year	21,866.52	16,347.96
Add: Profit for the year	6,080.56	5,795.67
	<b>27,947.08</b>	<b>22,143.63</b>
Less: Transfer to General Reserve	(100.00)	(100.00)
Less: Dividend paid	(180.79)	(180.79)
Add/(Less): Other Comprehensive Income arising from Remeasurements of defined benefit obligation (net of tax)	6.11	3.68
	<b>(274.68)</b>	<b>(277.11)</b>
Balance at the end of the year	<b>27,672.40</b>	<b>21,866.52</b>

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

### 21 OTHER EQUITY (Contd.)

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2022	31st March, 2021
<b>21.4 Other Comprehensive Income</b>		
<b>Equity instrument through Other Comprehensive Income</b>		
Balance at the beginning of the year	56.32	19.00
Add/(Less): Change in Fair Value (net of tax)	195.32	37.32
Balance at the end of the year	<b>251.64</b>	<b>56.32</b>
<b>Remeasurement of Defined Benefit Obligation</b>		
Balance at the beginning of the year	-	-
Add/(Less): Changes during the year (net of tax)	6.11	3.68
Add/(Less): Transferred to Retained Earnings	(6.11)	(3.68)
Balance at the end of the year	-	-
	<b>29,476.21</b>	<b>23,375.01</b>

### 22 NON CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
<b>Secured</b>					
Vehicle loan from banks	22.1 (a)	133.49	192.92	59.42	70.54
		133.49	192.92	59.42	70.54
Less: transfer to current borrowings	27	-	-	(59.42)	(70.54)
		<b>133.49</b>	<b>192.92</b>	<b>-</b>	<b>-</b>

#### 22.1 Details of Security:

a. Vehicle loans from various banks are secured against hypothecation of vehicles purchased against the loan. The loans are repayable on monthly instalments as per the terms of loans which are ranging from 36 to 60 months. The interest rates are varying from 7.25% p.a. to 9.25% p.a.

22.2 The Carrying amount of the Financial and Non financial assets pledged as security for current and non current borrowings is given in Note 46.

22.3 There has been no default in repayment of vehicle loan during the year based on the repayment schedule.

### 23 UNSECURED

(₹ in Lakhs)

Particulars	Refer Note No.	As at	As at
		31st March, 2022	31st March, 2021
Lease Liabilities	23.1	80.89	100.41
		<b>80.89</b>	<b>100.41</b>

23.1 Lease liability represents present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.



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

### 24 PROVISIONS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>Provision for Employee Benefits</b>			
Gratuity	49.2.5 & 32.1	32.78	81.20
Leave encashment	32.1	79.78	76.28
		<b>112.56</b>	<b>157.48</b>

### 25 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred Tax Liabilities</b>		
Arising on account of :		
Property Plant & Equipment & Intangible Assets	650.42	685.89
	<b>650.42</b>	<b>685.89</b>
<b>Less: Deferred Tax Assets</b>		
Arising on account of :		
Impairment allowances for Doubtful Receivables	91.54	31.75
Unrealised gain on non current investment	4.38	-
Impairment allowances for Security deposit	-	20.39
Provision for on obsolete, non moving and slow moving stock	75.48	59.67
Amount deductible on payment basis	42.63	53.54
	<b>214.03</b>	<b>165.35</b>
Deferred Tax Liabilities (Net)	<b>436.39</b>	<b>520.54</b>

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

(₹ in Lakhs)

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	685.89	(35.47)	-	650.42
Impairment allowances for Doubtful Receivables	(31.75)	(59.79)	-	(91.54)
Unrealised gain on non current investment	-	(4.38)	-	(4.38)
Impairment allowances for Security deposit	(20.39)	20.39	-	-
Provision for on obsolete, non moving and slow moving stock	(59.67)	(15.81)	-	(75.48)
Amount deductible on payment basis	(53.54)	8.85	2.06	(42.63)
	<b>520.54</b>	<b>(86.21)</b>	<b>2.06</b>	<b>436.39</b>

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

### 25 DEFERRED TAX LIABILITIES (NET) (Contd.)

Movement in deferred tax liability/(asset) during the year ended 31st March, 2021				(₹ in Lakhs)
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	730.12	(44.23)	-	685.89
Impairment allowances for Doubtful Receivables	(27.62)	(4.13)	-	(31.75)
Impairment allowances for Security deposit	-	(20.39)		(20.39)
Provision for on obsolete, non moving and slow moving stock	-	(59.67)		(59.67)
Amount deductible on payment basis	(62.90)	8.12	1.24	(53.54)
	<b>639.60</b>	<b>(120.30)</b>	<b>1.24</b>	<b>520.54</b>

### 26 NON CURRENT TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for tax (net)	83.85	21.64
Add : Provision for current year Tax {Including interest of Rs. 17.87 Lakhs}	2,139.76	-
Less : Advance Income Tax for current year	2,190.35	-
	<b>33.27</b>	<b>21.64</b>

### 27 CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>Secured</b>			
Working Capital loans from Banks repayable on demand	27.1	260.53	689.29
Current maturities of long term borrowings	22	59.43	70.54
		<b>319.96</b>	<b>759.83</b>

#### 27.1 Details of Security

Working capital facilities from the banks (fund based and non fund based) are secured/ to be secured by first pari passu charge over entire current assets of the Company and second pari passu charge over entire Property, Plant and Equipment (except certain freehold land) of the Company. The facilities are also secured by personal guarantees of certain KMPs/Employees of the Company. The interest rates are 7.60% - 7.90% p.a. at the balance sheet date.

27.2 Refer Note No. 46 for information on the carrying amounts of financial and non-financial assets pledged as security for current borrowings.

27.3 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.



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

### 27 CURRENT BORROWINGS (Contd.)

27.4 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	19,689.00	19,887.00	(198.00)	Because of provisional figures reported to banks earlier to finalizations of quarterly accounts.
	Current Liabilities	5,274.00	5,863.00	(589.00)	
June 2020	Current Assets	13,745.00	13,673.00	72.00	
	Current Liabilities	4,944.00	5,074.00	(130.00)	

### 28 Unsecured

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured</b>			
Lease Liabilities	23.1	9.76	70.45
		<b>9.76</b>	<b>70.45</b>

### 29 TRADE PAYABLES

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Trade Payables for goods and services			
- Total outstanding dues of micro enterprises and small enterprises; and	47	506.18	104.82
- Total outstanding dues of creditors other than micro enterprises and small enterprises	29.1	4,240.37	3,168.75
		<b>4,746.55</b>	<b>3,273.57</b>

#### 29.1 Trade Payable ageing schedule

Trade Payable ageing schedule as at 31st March 2022

(₹ in Lakhs)

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	
1	MSME	-	-	504.18	2.00	-	-	506.18
2	Others	208.52	1,810.65	2,189.14	16.16	4.92	10.98	4,240.37
3	Disputed dues- MSME	-	-	-	-	-	-	-
4	Disputed dues- Others	-	-	-	-	-	-	-

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

### 29 TRADE PAYABLES (Contd.)

Trade Payable ageing schedule as at 31st March 2021

(₹ in Lakhs)

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	
1	MSME	-	35.04	69.78	-	-	-	104.82
2	Others	218.15	1,094.75	1,799.32	38.26	5.76	12.51	3,168.75
3	Disputed dues- MSME	-	-	-	-	-	-	-
4	Disputed dues- Others	-	-	-	-	-	-	-

### 30 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	Refer Note No.	As at 31st March, 2022	As at 31st March, 2021
Amount payable for Capital Goods		648.37	157.65
Security Deposit		125.00	95.00
Interest accrued and not due on Borrowings		-	0.49
Unpaid dividends	30.1	48.48	40.99
Employees related dues		216.90	106.71
Other Payable		832.55	1,033.28
		<b>1,871.30</b>	<b>1,434.12</b>

30.1 There are no amounts due for payment to the Investor Education and Protection Fund at the end of the year.

### 31 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Dues Payable	810.00	839.88
Advances Received from Customers	178.89	156.07
	<b>988.89</b>	<b>995.95</b>

### 32 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Provision for Employee Benefits</b>		
Leave encashment	32.1	2.77
	<b>4.21</b>	<b>2.77</b>



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

### 32 PROVISIONS (Contd.)

#### 32.1 Movement of Provision (Current and Non Current)

Particulars	Employee Benefit	
	Gratuity	Leave encashment
As on 1st April, 2020	48.48	68.92
Add: Created	32.72	15.98
Less: Payment/ Reversed	-	(5.85)
<b>As on 31st March, 2021</b>	<b>81.20</b>	<b>79.05</b>
As on 1st April, 2021	81.20	79.05
Add: Created	48.42	10.79
Less: Payment/ Reversed	(96.84)	(5.85)
<b>As on 31st March, 2022</b>	<b>32.78</b>	<b>83.99</b>

### 33 CURRENT TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for tax	-	2,211.46
Less: Advance Income Tax	-	1,949.25
	-	<b>262.21</b>

### 34 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Refer Note No.	For the year ended 31st March 2022	For the year ended 31st March, 2021
Sale of Products (including Excise Duty)	34.1	50,157.15	44,350.78
Sale of Services		936.56	731.91
<b>Other Operating revenues</b>			
- Miscellaneous Sales		309.53	216.17
- Rent Income		19.20	18.30
		<b>51,422.45</b>	<b>45,317.16</b>

#### 34.1 Disclosure pursuant to IND As 115, Revenue from contract with Customer:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue from operations (A)	51,093.71	45,082.69
Excise duty on sale (B)	163.80	1,744.93
Revenue from operations excluding excise duty on sale (A-B)	<b>50,929.91</b>	<b>43,337.76</b>



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

### 34 REVENUE FROM OPERATIONS (Contd.)

	(₹ in Lakhs)	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>(I) Revenue from contracts with customers disaggregated based on nature of product or services</b>		
<b>Manufacturing</b>		
Packed Potable Alcohol	31,561.31	29,245.63
Spirit	12,728.20	9,958.94
By Product	5,093.63	4,628.41
Sanitizer	512.18	318.40
Others	158.95	105.81
<b>Trading</b>		
Packing Material	102.89	93.59
<b>Revenue from Sale of services</b>		
Job Work Charges	936.56	731.91
<b>Other operating revenues</b>		
- Miscellaneous Sales	309.53	216.17
- Miscellaneous Rent Income	19.20	18.30
	<b>51,422.45</b>	<b>45,317.16</b>
<b>(II) Revenue from contracts with customers disaggregated based on geography</b>		
India	51,406.62	45,107.01
Outside India	15.83	210.15
<b>(III) Revenue from contracts with customers disaggregated based on type of customer</b>		
Direct Sale	36,100.00	31,500.91
Through distribution channel/ Intermediary	15,322.45	13,816.25

There is no significant financing component in any transaction with the customers. The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. All contracts entered by the company are Fixed-price contracts.

### 35 OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Interest Income</b>		
Deposit with banks etc - Financial assets measured at amortised cost	475.34	196.98
On Bond/ Debentures	7.01	-
Others (from statutory authorities etc)	5.68	-
Loans - Financial assets measured at amortised cost	93.15	181.24



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

### 35 OTHER INCOME (Contd.)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Other Non Operating Income</b>		
Excess Liabilities Written Back	471.30	73.26
Profit on Sales/Discard of Property, Plant & Equipment	87.54	-
Claim Receipts	23.96	2.17
Miscellaneous Receipts	140.98	1.22
Gain on foreign currency transactions and translations	-	7.22
Gain/(Loss) on Sale of Non current Investment	0.43	-
Gain/(Loss) on Mark to Market of Non current Investment	29.61	-
Provision no longer required back	81.00	-
	<b>1,416.00</b>	<b>462.09</b>

### 36 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Materials	15,648.63	12,048.99
Packing Materials	8,314.06	6,353.58
	<b>23,962.69</b>	<b>18,402.57</b>

### 37 PURCHASE OF STOCK - IN - TRADE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchases of Stock -in- Trade	97.49	86.47
	<b>97.49</b>	<b>86.47</b>

### 38 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Inventories at the beginning of the year</b>		
Finished Goods	2,426.35	2,814.59
Work in progress	725.04	559.25
	<b>3,151.39</b>	<b>3,373.84</b>
<b>Inventories at the end of the year</b>		
Finished Goods	2,705.65	2,426.35
Work in progress	584.15	725.04
	<b>3,289.80</b>	<b>3,151.39</b>
	<b>(138.41)</b>	<b>222.45</b>

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

### 39 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Refer Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages & Bonus		2,995.90	2,387.72
Gratuity	49.2.5	39.44	37.65
Contribution to Provident & Other funds		95.65	81.25
Staff Welfare expenses		27.87	19.78
		<b>3,158.86</b>	<b>2,526.40</b>

### 40 FINANCE COST

(₹ in Lakhs)

Particulars	Refer Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses	40.1	34.63	62.60
Other Borrowing Costs	40.2	45.47	63.82
Interest on lease liabilities		13.08	20.49
		<b>93.18</b>	<b>146.91</b>

40.1 Borrowing cost capitalised during the year is Rs. Nil (PY 2021 Rs. "Nil")

40.2 Other Borrowing cost includes interest on Income Tax for the year is Rs. 17.87 Lakhs (PY 2021 39.29 Lakhs)

### 41 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	Refer Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
On Tangible Assets	41.1	1,425.10	1,405.21
On Intangible Assets		2.46	1.49
		<b>1,427.56</b>	<b>1,406.70</b>

41.1 Depreciation on tangible assets includes Rs. 73.83 Lakhs (PY 2021 73.84 Lakhs) for Right of Use Assets.

### 42 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Manufacturing, Administrative &amp; Selling Expenses</b>		
Consumption of Stores and Spares	793.49	605.61
Insurance	85.33	89.35
Brand Franchise fees	851.76	653.77
Bottling Fees	2,339.83	1,891.00
Bottling Expenses	1,068.31	935.36
Obsolete, Non Moving, Slow Moving Stock	19.72	237.07
Other Manufacturing Expenses	406.42	415.65
Rent	27.76	27.53
Rates & Taxes	1,242.60	1,122.80
Repairs & Maintenance:		



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

### 42 OTHER EXPENSES (Contd.)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Building	5.01	28.37
Plant & Machinery	177.71	169.89
Others	6.94	11.31
Warehouse Handling Charges	204.24	189.00
Freight, Forwarding & Transportation	1,040.98	920.67
Corporate Social Responsibility Expenditure (Refer Note No. 50)	45.02	210.40
Impairment allowance for Doubtful Receivable/Advances	269.56	108.61
Loss on Sales/Discard of Property Plant & Equipment	0.32	-
Bad debts [net of write back of allowance of Rs. Nil Lakhs (PY 2021 Rs.11.23 Lakhs )]	89.80	-
Advances written off [net of write back of allowance of Rs. Nil Lakhs (PY 2021 Rs.5.94 Lakhs )]	3.92	5.20
Payment to the Auditors:		
Audit Fees	12.00	12.00
Certification / Other services	10.20	8.40
Reimbursement of expenses	0.65	0.55
Increase/ (Decrease) in Excise Duty	(61.68)	(36.11)
Other Expenses	1,423.47	1,412.65
	<b>10,063.37</b>	<b>9,019.08</b>

### 43 TAX EXPENSE

(₹ in Lakhs)

Particulars	Refer Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax	43.2	2,121.89	2,172.17
Deferred Tax		(86.21)	(120.30)
		<b>2,035.68</b>	<b>2,051.87</b>

**43.1** Income tax has been provided based on the rates mentioned under section 115BAA of the Income Tax Act 1961.

**43.2** Reconciliation of estimated Income Tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss:

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

### 43 TAX EXPENSE (Contd.)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit before income tax expense	8,116.24	7,847.54
Indian Statutory Income Tax rate*	25.17%	25.17%
Estimated Income Tax Expense	2,042.86	1,975.23
<b>Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense</b>		
Effect of Deferred Tax created at different rate	4.84	-
Expenses not Deductible	(17.53)	74.93
Others	5.51	1.71
	(7.18)	76.64
<b>Income tax expense in Statement of Profit &amp; Loss</b>	<b>2,035.68</b>	<b>2,051.87</b>

\* Applicable Indian Statutory Income Tax rate for Financial Year 2022 & 2021 is 25.17% & 25.17% respectively.

### 44 EARNING PER SHARE

Particulars	Refer Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Nominal Value of Equity Share (Rs.)		10.00	10.00
Profit attributed to the Equity shareholders of the Company (₹ in Lakhs)		6,080.56	5,795.67
Weighted average number of equity share		18,079,200	18,079,200
Basis and diluted earning per share (Rs.)		<b>33.63</b>	<b>32.06</b>

There are no dilutive equity shares in the Company.

### 45 CONTINGENT LIABILITIES & COMMITMENT TO THE EXTENT NOT PROVIDED FOR:

#### 45.1 Contingent Liabilities

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>A</b>	<b>Claims/Disputes/Demands not acknowledged as debts -</b>		
i.	Entry Tax demand under dispute	83.63	83.63
ii.	Central Sales Tax demand under dispute	13.22	13.22
iii.	M.P. VAT demand under dispute	928.41	928.41
iv.	Service Tax demand under dispute	26.00	26.00
v.	Central Excise demand under dispute	-	7.65
<b>B</b>	<b>Guarantee -</b>		
i.	Bank Guarantees outstanding at the Year end	527.64	619.87

45.2 In respect of above, future cash flows are determinable only on receipt of judgements pending at various forums/authorities which in the opinion of the Company is not tenable and there is no possibility of any future cash outflow in case of above.



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

### 45 CONTINGENT LIABILITIES & COMMITMENT TO THE EXTENT NOT PROVIDED FOR: (Contd.)

#### 45.3 Commitments

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
i.	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	7,781.73	436.03

### 46 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for borrowings are:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Current</b>		
<b>Financial Assets</b>		
<b>First charge</b>		
Trade Receivables	2,358.11	3,894.75
Cash and cash equivalents	203.86	132.60
Bank balances other than cash and cash equivalents	7,895.78	7,700.25
Other Financial Asset	1,147.18	1,791.30
<b>Non-Financial Assets</b>		
<b>First charge</b>		
Inventories	6,495.44	5,766.38
Other Current Assets (excluding Balances with Government Authorities & Pre-paid expense)	309.64	142.96
<b>Total current assets pledged as security</b>	<b>18,410.01</b>	<b>19,428.24</b>
<b>Non-Current</b>		
<b>Second charge</b>		
Right of use Assets (Leasehold land)	0.76	0.76
Freehold land	1.27	1.27
Building	1,493.94	1,566.64
Plant & Machinery	8,201.77	7,727.92
Furniture, Fittings and Equipment	480.67	544.21
Vehicle (First charge)	569.53	617.16
Capital Work-In-Progress	2,358.99	922.89
<b>Financial Asset</b>		
Other Financial Asset	2,420.88	19.29
<b>Total non-currents assets pledged as security</b>	<b>15,527.81</b>	<b>11,400.14</b>
<b>Total assets pledged as security</b>	<b>33,937.82</b>	<b>30,828.38</b>

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

### 47 DISCLOSURE OF TRADE PAYABLES AS REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006, BASED ON THE CONFIRMATION AND INFORMATION RECEIVED BY THE COMPANY FROM THE SUPPLIERS REGARDING THE STATUS UNDER THE ACT.

(₹ in Lakhs)

Sl. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
i	Principal & Interest amount remaining unpaid but not due as at year end	506.18	104.82
ii	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	-	-
iii	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	-	-
iv	Interest accrued and remaining unpaid as at year end	12.16	3.91
v	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	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

### 48 LEASES

The company has elected to apply IND As 116 to its leases with modified retrospective approach. Under this approach, the company has recognized lease liabilities and corresponding equivalent right of use assets. In the statement of profit & loss for the year ended, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expenses on right of use assets and finance cost for interest accrued on such lease liability.

#### 48.1 Movement in Lease Liabilities during the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	170.86	240.13
Additions	-	-
Interest Cost accrued during the period	13.08	20.49
Deletions	-	-
Payment of lease liabilities	93.29	89.76
<b>Balance at the end of the year</b>	<b>90.65</b>	<b>170.86</b>

#### 48.2 Future Payment of Lease liabilities on an undiscounted basis

At 31st March 2022, the future payment of lease liabilities on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Less than one year	18.70	93.37
One to five years	93.49	93.49
More than five years	26.02	44.72
<b>Total undiscounted lease liabilities</b>	<b>138.21</b>	<b>231.58</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>90.65</b>	<b>170.86</b>
Current Lease Liabilities	9.76	70.45
Non- Current Lease Liabilities	80.89	100.41

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

### 48 LEASES (Contd.)

#### 48.3 Amounts recognized in Profit or Loss

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest expense on lease liabilities	13.08	20.49
Depreciation expense of right-of-use assets	73.83	73.84
Expense relating to short-term leases (included in other expenses)	27.76	27.53
<b>Total</b>	<b>114.67</b>	<b>121.86</b>

### 49 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014.

#### 49.1 Defined Contribution Plan:

##### 49.1.1 Provident Fund & Employee's State Insurance Contribution

Provident Fund as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

Employee State Insurance contribution as per the provisions of the Employees State Insurance Act, 1948.

49.1.2 The amount recognized as an expense for the Defined Contribution Plans are as under:

(₹ in Lakhs)

Sl. No.	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a	Provident Fund	71.22	58.27
b	Employee State Insurance contribution	17.53	16.78

#### 49.2 Defined Benefit Plan:

The following are the types of defined benefit plans

##### 49.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to Gratuity as per the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

##### 49.2.2 Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

<b>INTEREST RATE RISK</b>	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
<b>SALARY INFLATION RISK</b>	Higher than expected increases in salary will increase the defined benefit obligation
<b>DEMOGRAPHIC RISK</b>	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.



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

### 49 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (Contd.)

#### 49.2.3 Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Balance at the beginning of the year	276.00	244.23
Current Service Cost	36.63	34.40
Interest Cost on Defined Benefit Obligation	18.22	15.96
Actuarial Gain and Losses arising from		
Changes in demographic assumptions		
Changes in financial assumptions	(8.19)	(2.53)
Experience Adjustment	(1.93)	(3.86)
Benefits Paid from the Plan Assets	(16.08)	(12.20)
Balance at the end of the year	304.65	276.00

#### 49.2.4 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the plan assets and its components

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Balance at the beginning of the year	194.80	195.75
Interest Income on Plan Assets	15.41	12.71
Remeasurements of Defined Benefit Obligation:		
Return on plan assets greater/ (lesser) than discount rate	(1.95)	(1.46)
Employer Contributions to the Plan	79.69	-
Benefits Paid from the Plan Assets	(16.08)	(12.20)
Balance at the end of the year	271.87	194.80

#### 49.2.5 Amount recognized in Balance sheet

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Present value of Benefit Obligation at the end of the year	(304.65)	(276.00)
Fair value of Plan Assets at the end of the year	271.87	194.80
Funded Status (Surplus/(Deficit))	(32.78)	(81.20)
Net (Liability)/Asset recognized in the Balance sheet	(32.78)	(81.20)

#### Expenses recognized in Profit or Loss

(₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Current Service Cost	36.63	34.40
Interest Cost	18.22	15.96
Interest Income on Plan Assets	(15.41)	(12.71)
Expenses recognized	39.44	37.65

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

### 49 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (Contd.)

#### 49.2.6 Remeasurements recognized in Other Comprehensive Income (₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Actuarial (gain)/ Loss on defined benefit obligation	(10.12)	(6.39)
Return on plan assets greater/ (lesser) than discount rate	1.95	1.46
Net(income)/ Expense for the period recognized in OCI	(8.17)	(4.92)

#### 49.2.7 Major Categories of Plan Assets (₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
Qualified Insurance Policy	100%	100%

The Gratuity Scheme is invested in a New Group Gratuity Cash Accumulation Plan Policy offered by Life Insurance Corporation (LIC). The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

#### 49.2.8 Asset-Liability Matching Strategy

The Company's investment are being managed by Life Insurance Company and at the year end interest is being credited to the fund value. The company has not changed the process used to manage its risk from previous periods. The Company's investment are fully secured and would be sufficient to cover its obligations.

#### 49.2.9 Actuarial Assumptions (₹ in Lakhs)

Particulars	Gratuity	
	2021-22	2020-21
<b>Financial Assumptions</b>		
Discount Rate	7.10%	6.70%
Salary Escalation Rate	7.00%	5.00%
<b>Demographic Assumptions</b>		
Mortality Rate	Indian assured lives Mortality (2006-08)	Indian assured lives Mortality (2006-08)
Attrition rate	2%	2%

**49.2.10** The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**49.2.11** At 31st March 2022, the weighted average duration of the defined benefit obligation was 9 years (previous year 10 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on	Gratuity
31st March 2023	16.01
31st March 2024	20.72
31st March 2025	17.48
31st March 2026	65.91
31st March 2027	38.05
31st March 2028 to 31st March 2032	235.12

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

### 49 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013 READ WITH RULE 7 OF COMPANIES (ACCOUNTS) RULES, 2014. (Contd.)

49.2.12 The Company expects to contribute Rs 40 Lakhs to its gratuity fund in 2022-23.

#### 49.2.13 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity	
	2021-22	2020-21
Effect on DBO due to 1% increase in Discount Rate	(24.70)	(23.23)
Effect on DBO due to 1% decrease in Discount Rate	28.94	27.27
Effect on DBO due to 1% increase in Salary Escalation Rate	24.41	23.21
Effect on DBO due to 1% decrease in Salary Escalation Rate	(21.92)	(20.42)

(₹ in Lakhs)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

### 50 CORPORATE SOCIAL RESPONSIBILITY

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as under:

50.1 Particulars	2021-22		2020-21	
	In Cash	Yet to be paid in cash	In Cash	Yet to be paid in cash
Gross Amount required to be spent by the Company during the year	130.91		103.93	

(₹ in Lakhs)

50.2 Particulars	2021-22		2020-21	
	In Cash	Yet to be paid in cash	In Cash	Yet to be paid in cash
<b>Amount spent during the year on:</b>				
Construction/ Acquisition of any asset	-	-	-	-
<b>On purpose other above</b>	45.02	-	210.40	-

(₹ in Lakhs)



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

### 50 CORPORATE SOCIAL RESPONSIBILITY (Contd.)

#### 50.3 Disclosure of CSR activities

(₹ in Lakhs)

Sl. No.	Particulars	2021-22	2020-21
(i)	Amount required to be spent by the Company during the year	130.91	103.93
(ii)	Amount of expenditure incurred	45.02	210.40
(iii)	Excess/(Shortfall) at the end of the year	(85.89)	106.47
(iv)	Excess spent from previous year utilized during the current year	85.89	-
(v)	Total of previous years Excess/(shortfall)	-	-
(vi)	Excess spent amount carried forward	20.58	106.47
(vii)	Nature of CSR activities	1) COVID 19 support. 2) Promoting educational vocational training skill development. 3) Promoting health care including preventive health care and organizing camps.	
(viii)	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	-	-
(ix)	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	-	-

### 51 RELATED PARTY DISCLOSURES

#### 51.1 Name of the related parties and description of relationship

##### A) Key Management Personnels (KMP)

- Mr. Tushar Bhandari, Whole Time Director
- Mr. Sanjay Kumar Tibrewal, Whole Time Director & CFO (with effect from 25th May, 2022)
- Mr. Manish Kumar Tibrewal, Non Executive Non Independent Director (resigned with effect from 28th May, 2021)
- Mr. Nitin Tibrewal, Independent Director
- Ms. Apurva P. Joshi, Independent Director (with effect from 12th September, 2020)
- Ms. Homai A. Daruwalla, Independent Director (with effect from 16th May, 2020)
- Mr. Debashish Das, Non Executive Non Independent Director (with effect from 16th May, 2020)
- Mr. Rahul Tiwari, CFO (resigned with effect from 30th November, 2021)
- Mr. Sumit Jaitely - Company Secretary
- Mr. Anand Kumar Kedia (KMP as per the definition of IND AS)
- Mr. Prasann Kumar Kedia (KMP as per the definition of IND AS)

##### Relatives:

- Mr. H.K. Bhandari (Father of Mr Tushar Bhandari)
- Mrs. Ram Dulari Kedia (Mother of Mr Anand Kumar Kedia & Mr Prasann Kumar Kedia)
- Mrs. Sangita Kedia (Spouse of Mr Anand Kumar Kedia)
- Mrs. Shweta Kedia (Spouse of Mr Prasann Kumar Kedia)
- Mr. Anshuman Kedia (Son of Mr Anand Kumar Kedia)
- Mrs. Ravisha Sanghi (Daughter of Mr Anand Kumar Kedia)
- Mr. Vedant Kedia (Son of Mr Prasann Kumar Kedia)

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

### 51 RELATED PARTY DISCLOSURES (Contd.)

#### 51.2 Summary of transactions with the related parties

(₹ in Lakhs)

Particulars	2021-22		2020-21	
	Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
Remuneration	828.99	337.85	748.68	259.45
Rent Expense	16.59	37.69	31.89	20.49
Sitting fees	13.25	-	4.78	-

#### 51.3 Summary of Outstanding balances with the related parties

(₹ in Lakhs)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Key Management Personnels	Relatives of KMP's	Key Management Personnels	Relatives of KMP's
Remuneration Payable	-	-	0.47	1.45
Balances Payable	2.43	-	-	-
Balances Receivable	1.18	-	1.20	-

#### 51.4 Key Management Personnel compensation

(₹ in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Short-term employee benefits	828.99	748.68
Post-employment benefits *	-	-
Long term benefits *	-	-
Total compensation	828.99	748.68

\* Post-employment benefits and other long-term benefits is being disclosed based on actual payment made on retirement/resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

#### 51.5 Major terms and conditions of transactions with related parties

Transactions with related parties are carried out in the normal course of business.

#### 51.6 Loans or Advances in the nature of loans are granted to promoters, directors, KMP's and the related parties

There are no such instances of loans or advances with specified parties as identified above.

### 52 SEGMENT REPORTING

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Based on the management approach as defined in Ind AS 108, the Chief Operating Decision Maker evaluates the Company's performance based on only one segment i.e. manufacturing and trading of Potable Alcohol.

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

### 53 FAIR VALUE MEASUREMENT

Categories of Financial Assets & Financial Liabilities as at 31st March 2022 and 31st March 2021

(₹ in Lakhs)

Particulars	31st March, 2022			31st March, 2021		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
<b>Financial Assets</b>						
Investments						
- Equity Instrument	-	451.64	-	-	256.32	-
- Mutual fund, Alternative Fund and Debenture	1,829.52	-	208.07	-	-	-
Trade Receivables	-	-	2,358.11	-	-	3,894.75
Cash and Cash Equivalents	-	-	203.86	-	-	132.60
Bank Balance other than above	-	-	7,895.78	-	-	7,700.25
Loans to Employees	-	-	31.26	-	-	33.73
Loans to Body Corporates	-	-	643.99	-	-	1,529.73
Other Financial Assets	-	-	3,032.62	-	-	379.07
<b>Total Financial Assets</b>	<b>1,829.52</b>	<b>451.64</b>	<b>14,373.69</b>	<b>-</b>	<b>256.32</b>	<b>13,670.13</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	453.45	-	-	952.75
Lease Liabilities	-	-	90.65	-	-	170.86
Trade Payables	-	-	4,746.55	-	-	3,273.57
Other Financial Liabilities	-	-	1,871.30	-	-	1,434.12
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>7,161.95</b>	<b>-</b>	<b>-</b>	<b>5,831.30</b>

### 54 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT AMORTISED COST

54.1 The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at amortized cost:

(₹ in Lakhs)

Particulars	31st March, 2022		31st March, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Trade Receivables	2,358.11	2,358.11	3,894.75	3,894.75
Cash and Cash Equivalents	203.86	203.86	132.60	132.60
Bank Balance other than above	7,895.78	7,895.78	7,700.25	7,700.25
Loans to Employees	31.26	31.26	33.73	33.73
Loans to Body corporate	643.99	643.99	1,529.73	1,529.73
Other Financial Assets	3,032.62	3,032.62	379.07	379.07
<b>Total Financial Assets</b>	<b>14,165.62</b>	<b>14,165.62</b>	<b>13,670.13</b>	<b>13,670.13</b>
<b>Financial Liabilities</b>				
Borrowings	453.45	453.45	952.75	952.75
Lease Liabilities	90.65	90.65	170.86	170.86
Trade Payables	4,746.55	4,746.55	3,273.57	3,273.57
Other Financial Liabilities	1,871.30	1,871.30	1,434.12	1,434.12
<b>Total Financial Liabilities</b>	<b>7,161.95</b>	<b>7,161.95</b>	<b>5,831.30</b>	<b>5,831.30</b>

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

### 54 FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES MEASURED AT AMORTISED COST (Contd.)

54.2 The management assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, current borrowings, current loans and other financial assets & liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

54.3 The management considers that the carrying amounts of Financial assets and Financial liabilities recognised at nominal cost/ amortised cost in the Financial statements approximate their fair values.

54.4 Non current borrowings has been contracted at floating rates of interest, which are reset at short intervals. Fair value of floating interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost.

### 55 FAIR VALUE HIERARCHY

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the table.

#### 55.1 Assets and Liabilities measured at Fair Value - recurring fair value measurements

(₹ in Lakhs)

Particulars	31st March, 2022			31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investment						
- Equity Instruments	-	-	451.64	-	-	256.32
- Mutual fund and Alternative fund	1,829.52	-	-	-	-	-
<b>Total Financial Asset</b>	<b>1,829.52</b>	<b>-</b>	<b>451.64</b>	<b>-</b>	<b>-</b>	<b>256.32</b>
<b>Financial Liability</b>						
Financial Guarantee	-	-	-	-	-	-
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Note:

No financial guaratnee was outstanding as on 31st March, 2022.

#### 55.2 Description of significant unobservable inputs to Valuation

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Fair Value of Equity Instrument	451.64	256.32
Significant unobservable input - Cost of Equity	20.66%	10.12%
Sensitivity Factor (+/-)	1%	1%
Sensitivity of input on Fair Value of Equity Instrument		
Increase	(33.10)	(39.01)
Decrease	37.60	49.96

55.2.1 During the year ended March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

#### 55.3 Explanation to the Fair Value hierarchy

The Company measures Financial instruments, such as, unquoted investments and mutual funds/bonds at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The valuation of unquoted shares have been made based on level 3 inputs as per the hierarchy mentioned in the Accounting Policies. The valuation of unquoted equity instrument have been valued based on the valuation technique applicable. The valuation of mutual funds/bonds have been valued at the market value as at balance sheet date.

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

### 56 FINANCIAL RISK MANAGEMENT

Financial management of the Company has been receiving attention of the top management of the Company. The management considers finance as the lifeline of the business and therefore, financial management is carried out meticulously on the basis of detailed management information systems and reports at periodical intervals extending from daily reports to long-term plans. Importance is laid on liquidity and working capital management with a view to reduce over-dependence on borrowings and reduction in interest cost. Various kinds of financial risks and their mitigation plans are as follows:

#### 56.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit duration for customers on continuous basis. Further, in order to manage the credit risk, the security deposits are obtained from customers where ever considered necessary.

On account of adoption of Ind AS 109, the Company uses an expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables.

##### a. Trade receivables

As on 31st March, 2022

(₹ in Lakhs)

Ageing schedule	0-365 days	366-720 days	Above 720 days
Gross carrying amount	2,387.30	230.70	103.79
Expected credit losses (Loss allowance provision)	104.99	164.37	94.32
Carrying amount of trade receivables (net of impairment)	2,282.31	66.33	9.47

As on 31st March, 2021

Ageing schedule	0-365 days	366-720 days	Above 720 days
Gross carrying amount	3,912.68	58.92	49.28
Expected credit losses (Loss allowance provision)	43.11	33.74	49.28
Carrying amount of trade receivables (net of impairment)	3,869.57	25.18	-

(₹ in Lakhs)

Reconciliation of loss allowance provision	Amount
Loss allowance on 1 April 2021	126.13
Changes in loss allowance	237.55
Bad Debts adjusted	-
Loss allowance on 31 March 2022	363.68

#### 56.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs.

The Company manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for funding from banks and inter corporate and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain fixed deposits which provides flexibility to liquidate.



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

### 56 FINANCIAL RISK MANAGEMENT (Contd.)

#### 56.2.1 Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities as at 31st March 2022

(₹ in Lakhs)

a Particulars	On Demand	Less than 6 months	6 months to 1 year	More than 1 year	Total
Borrowings					
Vehicle Loan from banks*	-	26.07	33.35	133.49	192.91
Current Borrowings	260.53	-	-	-	260.53
Lease Liabilities	-	4.88	4.88	80.89	90.65
Trade payables on demand	-	4,746.55	-	-	4,746.55
Other financial liabilities on demand	-	1,871.30	-	-	1,871.30
<b>Total</b>	<b>260.53</b>	<b>6,648.80</b>	<b>38.23</b>	<b>214.38</b>	<b>7,161.94</b>

b The following are the remaining contractual maturities of financial liabilities as at 31st March 2021

Particulars	On Demand	Less than 6 months	6 months to 1 year	More than 1 year	Total
Borrowings					
Vehicle Loan from banks*	-	36.34	34.20	192.92	263.46
Current Borrowings	689.29	-	-	-	689.29
Lease Liabilities	-	32.67	37.78	100.41	170.86
Trade payables on demand	-	3,273.57	-	-	3,273.57
Other financial liabilities on demand	-	1,434.12	-	-	1,434.12
<b>Total</b>	<b>689.29</b>	<b>4,776.70</b>	<b>71.98</b>	<b>293.33</b>	<b>5,831.30</b>

\* represents actual unamortised contractual cash outflows.

c The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

#### 56.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Foreign Exchange Risk and Interest Rate Risk.

##### 56.3.1 Foreign Exchange Risk

Foreign Exchange Risk is the exposure of the Company to the potential impact of the movement in foreign exchange rate. The Company does not have any foreign currency exposure at the balance sheet date.

##### 56.3.2 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The company's exposure to the risk of changes in market interest rate relates primarily to company's borrowing with floating interest rates. The Company do not have any significant interest rate risk on its current borrowing due to their short tenure.



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

### 57 CAPITAL MANAGEMENT

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less cash and cash equivalents) to equity ratio is used to monitor capital.

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Net Debt	249.59	820.15
Total Equity	31,284.13	25,182.93
Net Debt to Equity Ratio	0.01	0.03

### 58 DETAILS OF KEY FINANCIAL RATIOS

S. No	Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	2.44	2.95	-17.39%	-
2	Debt-equity ratio	Total Borrowings	Equity	0.006	0.010	-41.06%	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	44.12	8.76	403.71%	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	0.22	0.26	-16.93%	-
5	Inventory turnover ratio	Revenue from operations	Average inventory	8.39	7.88	6.44%	-
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	16.45	11.63	41.40%	Reduction in average accounts receivable, reflecting faster collection of dues from debtors together with higher net credit sales is the reason for higher debtor turnover ratio.
7	Trade payables turnover ratio	Cost of goods sold & Purchase stock in Trade	Average trade payable	1.50	1.35	10.91%	-
8	Net capital turnover ratio	Revenue from operations	Closing working capital	4.50	3.41	31.83%	Improved ratio on account of higher sales generation.
9	Net profit ratio	Profit after tax	"Revenue from operations"	0.12	0.13	-7.54%	-
10	Return on capital employed	Profit before interest and tax	"Capital employed"	0.26	0.33	-22.26%	-
11	Return on investment	Net gain/ (Loss) on sale/ fair value changes of investment	Average investment	0.17	0.16	7.79%	-

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

### 59 REVENUE RECOGNITION UNDER AGENCY ARRANGEMENT

The arrangement with M/s Kalpatharu Breweries & Distilleries Private Limited has been considered an agency relationship based on principles of Ind AS 115 and accordingly its trial balance, relating to operations of the Company, have been consolidated on line by line basis. The summary of adjustments made are as below:

Particulars	(₹ in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
<b>Non-current assets</b>		
Financial assets - Security Deposit	0.30	0.30
<b>Current assets</b>		
Trade receivables	7.37	8.00
Other current assets- Advance for supply of goods and rendering of services	0.03	0.03
<b>Current liabilities</b>		
Trade payables	0.12	0.12

Particulars	(₹ in Lakhs)	
	2021-22	2020-21
Revenue from operations (gross of excise duty)	2.11	26.80
Cost of materials consumed	-	-
Increase in inventories of finished goods, work-in-progress and stock-in-trade	-	-
Other expenses	2.74	11.83

### 60 DETAILS OF LOANS GIVEN, INVESTMENT MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

Company	Refer Note No.	Nature of facility	31st March, 2022	31st March, 2021
Mount Everest Breweries Limited	60.1 & 60.2	Investment	451.64	256.32
Mount Everest Breweries Limited	60.1 & 60.2	Loan	-	1,224.00
Prosperous Multibusiness Private Limited	60.2	Loan	200.00	-
Vijay Soni	60.2	Loan	200.00	-
Malwa Realities Pvt. Ltd.	60.2	Loan	102.91	160.00
Manjit Singh Bhatia	60.2	Loan	141.07	145.73

**60.1** The Company is having an unsecured exposure towards loans receivable to Mount Everest Breweries Limited. Mount Everest Breweries Limited is also dealing with the similar line of business & complements the company's sales distribution channels. Based on the performance of Mount Everest Breweries Limited, the company does not foresee any adverse impact on its financial statements.

**60.2** All loans/Advances are given for the borrowers normal business purpose.

**61** The Board of Directors at its meeting held on 25th May, 2022 recommended final dividend of Rs. 1/- per equity share of face value of Rs. 10/- each i.e @10% for the financial year ended 31st March, 2022. The same amounts to Rs. 180.79 Lakhs. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognized as a liability.

**62** The Company's operations and financial results for the part of the previous year ended 31st March 2021 were adversely impacted due to stoppage of operation due to outbreak of covid 19 pandemic and consequent lockdown. During the year, in the first quarter, few state governments had imposed certain restrictions due to surge in Covid 19 cases which had impacted the business operations however there has been no significant impact on the company's operation/result. In view of the above, the results for the current year is not strictly comparable with the corresponding preceding financial year.



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

**63** During the year, The Office of the Director General, Competition Commission of India (CCI) had carried out a state wide search on the leading distillers of the state of the Madhya Pradesh and similarly a search was also conducted in the office premise of the Company to examine the process of supply & sale of company's products. The Company is in the process of providing necessary informations / explanations as and when required by the CCI.

**64** The Company has initiated the process of setting up Ethanol manufacturing facility having a capacity of 100 Kilo litre per day (KLPD). The Company expects to commission the manufacturing facility by the end of the current financial year.

### **65 ADDITIONAL REGULATORY REQUIREMENTS SCHEDULE III:**

**65.1** 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).

**65.2** The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**65.3** The Company have not traded or invested in crypto currency or virtual currency during the financial year.

**65.4** 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:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**65.5** 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.

**65.6** 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".

**65.7** 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.

**65.8** The Company does not have any transactions with Companies which are struck off except the following:-

S. No	Name of the struck off Companies	Nature of transactions	Balance outstanding as at 31st March, 22	Balance outstanding as at 31st March, 21	Relationship with the struck off Company
1	Swami Marketing Company Private Limited	Receivables	2.02	2.02	Customer

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

### 65 ADDITIONAL REGULATORY REQUIREMENTS SCHEDULE III: (Contd.)

S. No	Name of the struck off Companies	Nature of transactions	No. of shares held as at 31st March, 22*	No. of shares held as at 31st March, 21*	Relationship with the struck off Company
1	Parmatma Securities Limited	Shares held	600	600	Shareholder
2	Newage Services (P) Limited	Shares held	1,800	1,800	Shareholder
3	Automotive Vyapaar Private Limited	Shares held	3,400	3,400	Shareholder
4	LFL leasing Finance Private Limited	Shares held	200	200	Shareholder
5	Buddhidhan Investments Limited	Shares held	600	600	Shareholder
6	Dolby Traders Private Limited	Shares held	3,400	3,400	Shareholder
7	BDS Trading (P) Limited	Shares held	400	400	Shareholder
8	Chanddela Prading Company Private Limited	Shares held	3,400	3,400	Shareholder
9	Jay Bharat Holding Private Limited	Shares held	22,600	22,600	Shareholder
10	Rathnatraya Finance Investment Private Limited	Shares held	200	200	Shareholder
11	Talbro Investments Private Limited	Shares held	3,400	3,400	Shareholder
12	Mega Byte Finance and Investments Private Limited	Shares held	200	200	Shareholder
13	Balaji Yarn Limited	Shares held	200	200	Shareholder
14	Excell Capital Market Service Private Limited	Shares held	400	400	Shareholder

\* The Equity shares held are Rs. 10/- paid up.

**66** 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 to the Companies Act, 2013 effective from 01st April, 2021.

**67** The Board of Directors have approved the financial statements for the year ended March 31st, 2022 and authorised for issue on 25th May, 2022.

As per our report of even date  
**For Singhi & Co.**  
 Chartered Accountants  
 (Firm Registration No.302049E)

**(Gopal Jain)**  
 Partner  
 (Membership No.059147)

Indore  
 25<sup>th</sup> May, 2022

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

**Tushar Bhandari**  
 Whole Time Director  
 DIN:03583114

**Nitin Tibrewal**  
 Director  
 DIN:01892892

**Sanjay Kumar Tibrewal**  
 Whole Time Director and CFO  
 DIN: 00737877

**Sumit Jaitely**  
 Company Secretary



## ASSOCIATED ALCOHOLS & BREWERIES LIMITED

Regd. Office: "4th Floor, BPK Star Tower, A.B. Road, Indore – 452008

### ECS MANDATE FORM

I hereby authorised you to make all payment in respect of my holding in your Company to my bankers for crediting to my account as detail below:

1. Shareholder Name: \_\_\_\_\_  
(In Block Letters) (First holder)
2. FolioNumber/DPID&: \_\_\_\_\_  
Client ID No. (Joint holder, if any)
3. No. of shares held : \_\_\_\_\_
4. Name of the Bank : \_\_\_\_\_
5. Branch Name & Address : \_\_\_\_\_
6. Account type :                      SB A/c                       Current A/c                       Other  .....  
(Please Specify)
7. Bank Account Number : \_\_\_\_\_
8. IFSC Code : \_\_\_\_\_
9. PAN : \_\_\_\_\_
10. E-mail ID : \_\_\_\_\_

I/We hereby declare that the particulars given above are correct and complete, if credit is not effected for the reason (s) of incomplete or incorrect information I/We would not hold the Company responsibility.

Note: Please attach **cancelled cheque** issued by your bank relating to your above account for verifying the accuracy of the Account & code number.

Date: .....

\_\_\_\_\_  
Signature of the first holder  
(As appearing in the Company records)

#### Certificate of the Investor's Bank

Certified that the particulars of the bank account furnished above are correct as per our records.

\_\_\_\_\_  
Signature of the first holder  
(As appearing in the Company Records)

# Corporate Information

## Board of Directors

**Mr. Tushar Bhandari**

*Whole Time Director*

**Mr. Nitin Tibrewal**

*Independent Director*

**Ms. Homai Ardeshir Daruwalla**

*Independent Director*

**Mr. Debashis Das**

*Non-Executive, None-Independent Director*

**Ms. Apurva Pradeep Joshi**

*Independent Director*

**Mr. Sanjay Kumar Tibrewal**

*Whole Time Director & CFO*

## Company Secretary

**Mr. Sumit Jaitely**

## Statutory Auditors

**M/s Singhi & Co.**

Chartered Accountants

161, Sarat Bose Road, Kolkata – 700026

## Secretarial Auditors

**K Arun & Co.**

Shantiniketan, 8 Camac Street, 8th Floor,  
Kolkata – 700017

## Registrar and Share Transfer Agent (RTA)

**Ankit Consultancy Private Ltd**

60, Electronic Complex, Pardeshipura  
Indore – 452010

Email: investor@ankitonline.com

Phone No. (0731) 2551745/46

## Bankers

HDFC Bank Limited

IDBI Bank Limited

Kotak Mahindra Bank Limited

## Registered Office

04th Floor, BPK Star Tower

A.B. Road, Indore – 452008

Email: invetorrelations@aabl.in

Phone No. (0731) 4780400/490

## Plant Distillery Complex

Khodigram, Tehsil-Barwaha

Distt. Khargone- 451115 (Madya Pradesh)

## Bottling Plant

Udyog Vihar, Chorhata

Rewa, Madhya Pradesh

## Company's Website

[www.associatedalcohols.com](http://www.associatedalcohols.com)

## Corporate Identity Number

L15520MP1989PLC049380



**ASSOCIATED**

*Dreams Determination Dexterity*

ASSOCIATED ALCOHOLS & BREWERIES LIMITED

**Registered Office:**

4th Floor, BPK Star Tower, A.B. Road, Indore 452008

CIN: L15520MP1989PLC049380