



Globus Spirits

# ENabling Excellence

Globus Spirits Limited  
2020-21 Annual Report



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# Corporate Information

**Chairman**

Mr. Vivek Gupta  
(Non Executive & Independent Director)

**Managing Director**

Mr. Ajay Kumar Swarup

**Joint Managing Director**

Mr. Shekhar Swarup

**Executive Directors**

Mr. Manik Lal Dutta  
Dr. Bhaskar Roy

**Non-Executive & Independent Directors**

Mr. Sunil Chadha.  
Mr. Santosh Kumar Bishwal  
Mr. Kunal Agarwal  
Ms. Ruchika Bansal

**Key Managerial Personnel**

Mr. Santosh Kumar Pattanayak : Company Secretary  
Dr. Bhaskar Roy : CFO

**Auditors**

M/s Deloitte Haskins & Sells  
Chartered Accountants,  
7th Floor, Building : 10, Tower B, DLF Cyber City Complex,  
DLF City Phase-II, Gurgaon-122002, Haryana

**Bankers**

State Bank of India, HDFC Bank, Axis Bank

**Registered office :**

F-0, Ground Floor, The Mira Corporate Suites,  
Plot No.1&2, Ishwar Nagar, Mathura Road, New Delhi – 110065

**Registrar & Share Transfer Agents**

Link Intime India Private Limited  
Noble Heights, 1st Floor, Plot No. N.H-2, LSC, C-1 Block,  
Near Savitri Market, Janakpuri, New Delhi-110058

**Stock Exchanges where the Company is listed** : 1) Bombay Stock Exchange  
: 2) National Stock Exchange

**Website** : [www.globusspirits.com](http://www.globusspirits.com)



#### **Plant Locations**

**Globus Spirits Limited,**

Vill: Shyampur, Tehsil: Behror, Dist: Alwar, Rajasthan

**Haryana Organics (A u/o Globus Spirits Limited),**

4K.M., Chulkana Road, Vill: Samalkha, Dist: Panipat, Haryana

**Associated Distilleries (A u/o Globus Spirits Limited),**

National Highway, Hisar Bye-pass, Hisar, Haryana

**Globus Spirits Limited,**

Vill: Duduha, Tehsil : Jandaha, Dist: Vaishali, Bihar

**Globus Spirits Limited,**

Plot B-7, Panagarh Industrial Area,  
Panagarh, Dist: Burdwan, West Bengal





# ENAbling Excellence

Through our commitment to performance we have been

.....ENAbling **Product excellence** by producing and using highest quality of “ENA” or Extra Neutral Alcohol

.....ENAbling **Marketing excellence** by pioneering branding at the bottom of the pyramid ‘IMIL’ market as well as creating innovative ‘IMFL’ brands

.....ENAbling **Organizational excellence** achieved through our unique 360° business model, allowing for high capacity utilization

.....ENAbling **Manufacturing excellence** by establishing world-class, fully integrated, earth-friendly distilleries that produce reliable products at better efficiencies

# ENAbling Product Excellence

The Extra Neutral Alcohol that is fractioned in our multi-pressure columns assures higher purity than conventional re-distillation techniques thereby providing safer and better tasting beverages, In addition, stringent controls over the natural fermentation process ensures that every batch of ENA is ENAbling excellence, day after day.

In fact, we were the 1st company to use this high quality ENA for producing IMIL even before the Government started to mandate it.





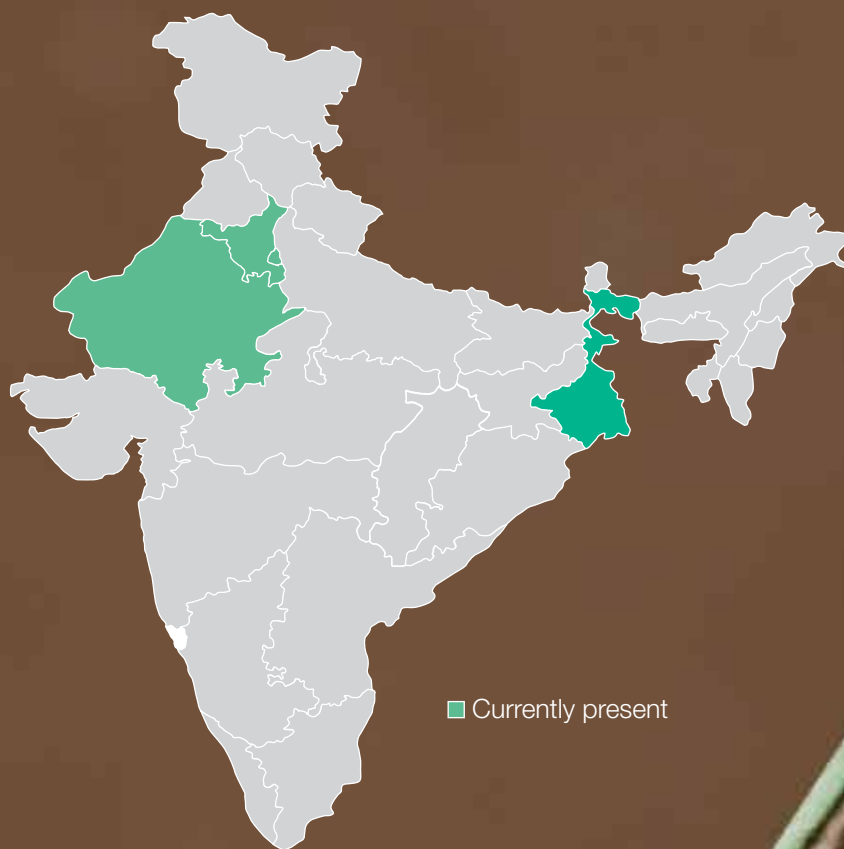


# ENAbiling Marketing Excellence

Our product excellence has ENAbled us to pioneer branding in the IMIL space with launch of India's 1st ENA based country liquor brand– Nimboo. As a first for the industry, we gave the bottom of the pyramid consumer a better tasting product, along with superior packaging that the consumers otherwise expect from other FMCG lines. This has led to a higher value perception of our brands. Little wonder then, that every day we are redefining 'country liquor' in India.

# ENAbling PAN India IMIL leadership

We envisage ourselves as becoming PAN India IMIL leaders, making the most of opportunities emerging in new markets.





# ENAbling Organizational Excellence

Led by a blend of experience-led wisdom and youthful exuberance, Globus Spirits operates with high standards of Corporate Governance creating value for all of its stakeholders.

## RIGHT STRATEGY

Our unique 360° business model has been perfected over two decades. Our approach allows for greater control on quality of our consumer products and higher utilization of ENA facilities enabling us to generate healthy returns.

## RIGHT PARTNERS

We believe strong partnerships, whether it be in the form of relationships with customers, employees or investors, are critical in growth of a company. We have tirelessly worked towards building the right kind of partnerships and have established deep relationships with stakeholders.

## RIGHT VALUES

We operate on high standards of governance, fair and transparent in all our dealings whether internally or with

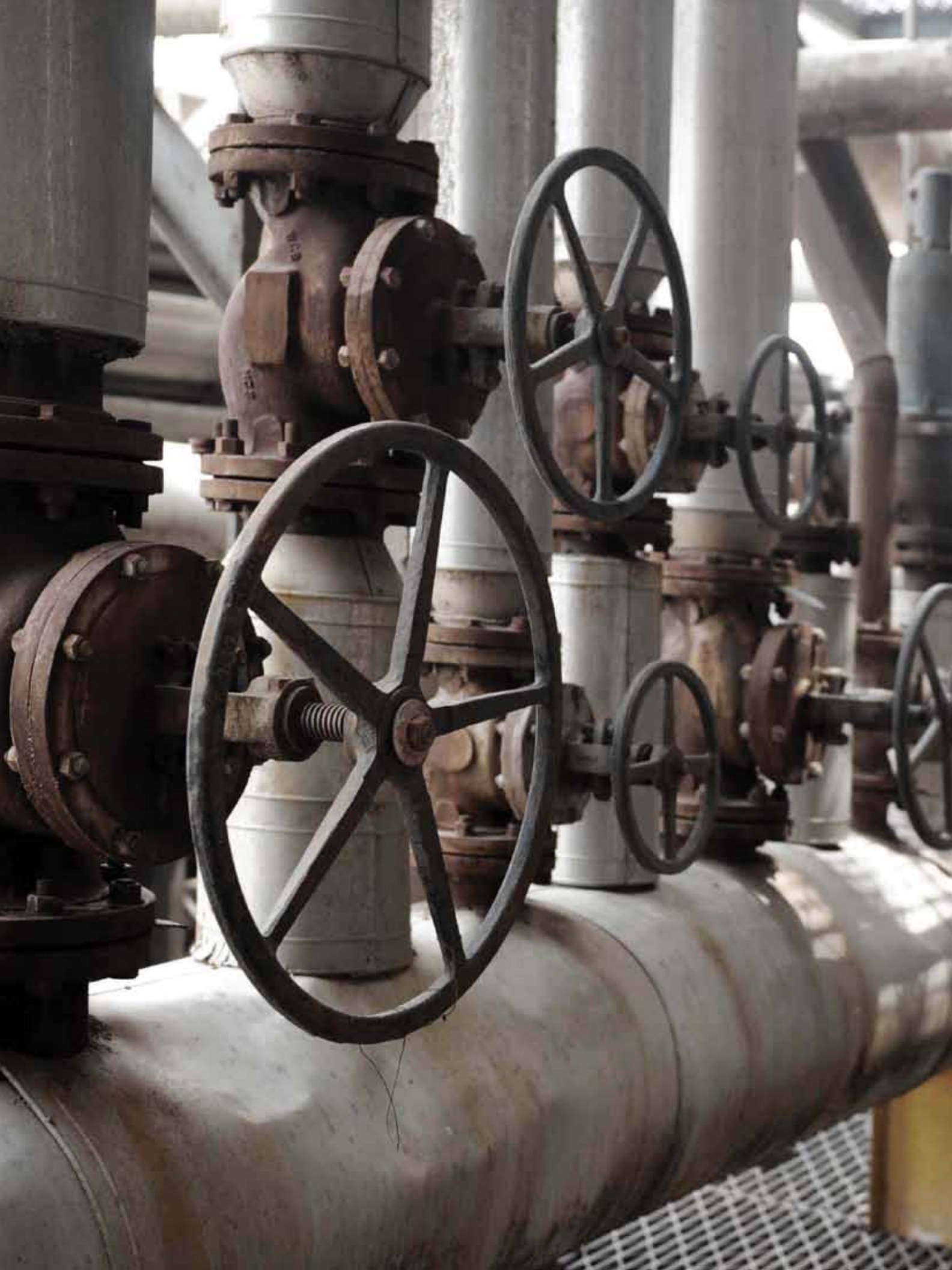
our customers, suppliers, and dealers. We encourage a culture of participation and truthfulness.

## RIGHT TEAM

A strong team, unified in its vision, is critical to the success of any organisation. Over the years, we have built a dynamic and robust team backed by deep industry experience, reflected in a well defined and effective organisation structure.









# ENAbling Manufacturing Excellence

Our manufacturing facilities are ENAbling excellence by maximising yields from raw material. Our fully operational production units allow us to maximise alcohol yield while maximising production of by-products leading to complete utilisation of the raw material.

These facilities are also ENAbling a clean environment with a zero-pollution footprint and cogeneration of power using renewable biomass as fuel.

ENAbled excellence in our manufacturing facilities helped us achieve in Fiscal 2021:

- ~138 million litres of production with zero discharge
- End to end production of ~15 million cases of bottled beverages
- ~86% utilization of operating capacity, ~25% used in-house for value added products  
*(Minor Disruptions in West Bengal due to COVID-19 pandemic and floods in Bihar facility led to lower utilization)*
- Over 5 years of relationship with India's top 2 IMFL companies



**GOVERNORS**  
RARE AGED  
**RESERVE**

BLENDED  
WITH UPTO  
— 12 —  
YEAR OLD SCOTCH  
AND MATURED  
INDIAN MALTS



100% PREMIUM GRAIN  
WHISKY

**GOVERNORS**  
RARE AGED  
**RESERVE**

100% PREMIUM GRAIN  
WHISKY

BLENDED WITH UPTO  
12 YEAR OLD SCOTCH  
AND MATURED INDIAN MALTS







# ENAbiling Excellence at Unibev

Our premium segment venture, Unibev, is ENAbiling excellence by creating a disruption in the market with a robust portfolio of differentiated brands having an age claim. Unibev is an Asset Light Model for your company and has come out with disruptive exclusive USP with value proposition for consumers. Unibev's merger in Globus Spirits is expected to be completed by next year.

Unibev is focusing on high margin, low volume fast growing premium segment which has hitherto been dominated by a few selected brands. The sharp rise in discretionary spends, increasing number of aspiring consumers and lack of options for consumers makes this category particularly attractive. Unibev, backed by an experienced team having a strong track record of creating successful brands, is poised to leverage these trends.

Unibev's L'Affaire Napoleon Premium French brandy, created with 3-Year-Old matured grape spirit, was launched in Puducherry in December 2017. Since then, Unibev has launched Governor's Reserve whisky created with 12-Year-Old matured scotch and Oakton Barrel Aged whisky created with 18-Year-Old matured scotch. Unibev is now present in 10 states in India mainly in South India and parts of East and West India.



# 360° EXPANSION IN FY 21

## 01

**MAINTAINED  
SIGNIFICANT  
MARKET SHARE IN  
VALUE SEGMENT  
IN STATES OF  
PRESENCE WITH  
TOTAL SALES OF  
~12.3 MN CASES**

## 02

**STEADY  
PERFORMANCE  
OF  
FRANCHISEE  
BUSINESS WITH  
VOLUMES AT  
~2.8 MN CASES**

## 03

**ACHIEVED ROBUST  
PERFORMANCE IN  
BULK ALCOHOL  
PRODUCTION WITH  
VOLUME CAGR OF  
~9.5% DURING FY16  
TO FY21**

Sustained high utilization levels  
due to 360° approach

Total capacity of ~160mn Bulk  
Litres of alcohol



# 04

## LEADING IMIL PLAYER WITH FOOTPRINT IN 4 STATES

# 05

## FORAYING INTO PREMIUM IMFL

Unibev, premium IMFL venture,  
present in 10 markets with a  
portfolio of 3 brands

# 06

## FINANCIAL HIGHLIGHTS\*

Strong growth of 5.3% to  
reach total income (net of  
excise duty) of ₹ 12.31 Bn

EBITDA of ₹ 2,612 Mn and  
PAT of ₹ 1,408 Mn

Sound balance sheet position  
with debt-equity ratio of 0.20x



# Chairman's Message

Dear Shareholder,

This year has been an unprecedented and challenging year with the Covid-19 pandemic affecting lives and businesses around the world. We are grateful that during this testing time, your company has emerged stronger and continued to deliver strong growth on the back of the commitment of the proficient team and support from all the stakeholders.

The first quarter of the fiscal saw a small disruption in our operations which recovered in the second quarter and remained strong for the rest of the year. In addition, the robust demand in consumer segment and firm bulk realizations boosted profitability during the fiscal. Your Company's proactive steps towards changing market dynamics and various cost rationalization measures translated into commendable results during the fiscal. During the year under review, your Company reported revenues (net of excise duty) of ₹ 1,231 crores, a growth of 5.3% over the previous year. EBITDA grew by 103% to reach ₹ 261 crores and net profit increased from ₹ 50 crores in fiscal 2020 to ₹ 141 crores in fiscal 2021, translating into an EBITDA margin of 21.1% and net profit margin of 11.4%.

The Consumer segment, which was morphing into an hour-glass shaped market, continues to help your Company with its strong presence in the mass market as well as the premium segments. Consumer segment share grew to ~43% during the fiscal ended 2021 compared to 35% in FY20. This helped drive up ROCE which came in at 29% as against 15% in FY20.

Despite the COVID-19 challenges, our consumers have continued to support us with their brand loyalty, helping us to grow the overall consumer segment volume by 11% year-on-year. In addition, the average value has also witnessed improvement on the back of better product mix during the fiscal. Coming to our markets – Rajasthan, where the new segment of medium liquor continues to drive margins, was a strong performer this fiscal. This was followed by Haryana where proactive steps of the Government to curb the illicit liquor trade has helped push demand into the organized segment. West Bengal is also seeing a recovery after Covid-19 led headwinds. Your company also re-entered Delhi market in small scale during fiscal FY21 and will continue to make opportunistic sales in the state. Overall, with the growth in rural India the Consumer business demand for IMIL will withhold and witness resilient growth.

Premium segment consists of Unibev brands which has an established presence in Pondichery, Karnataka, Telangana, Andhra in the South and West Bengal, Chhattisgarh, Odisha in the Middle and the East, and Maharashtra, Goa in the West. Amid pandemic, competition has realigned their strategies and your company is in the same process. Going forward, your company will be making sharper choices with respect to prioritizing geographies, brands, basis our right to win, new

profitability equations based on recent and expected excise policy changes and the required investments. On the trading side, Unibev primary sales for FY21 stood at 86.13% of the same period last year, despite retail point of sale not operating fully, and considering disturbed trading conditions due to increase in excise duties by most of the states in the immediate wake of the pandemic.

Our secondary sale for the FY 20-21 stood at 88.85% of the same period last year. In wake of a challenging trading environment, your company is prudent with all our investments on expansion. Super Premium product launch of Seventh Heaven blended with up to 21-Year-Old Scotch is on track and will be introduced in premium outlets in select states based on profits salience. Our vision to grow our premium segment business remains constant.

On the manufacturing segment of our business, we are seeing positive structural changes. The Government of India's thrust towards ethanol blending will continue to drive demand in the bulk alcohol segment. The Government of India has achieved remarkable results in its ethanol blending targets during the fiscal and have advanced the blending target of 20% to 2025 from 2030 earlier. This has created a new line of organic growth for the Company.

To capitalize on this opportunity, your Company has decided to undertake a strategic expansion of its capacities with the setting up of a 140 KLPD at West Bengal with total capital outlay of Rs. 110 crores and is expected to be operational by Q3FY22. Your Company has also expanded the distillery capacity at Rajasthan from 140 KLPD to 160 KLPD and also looking to expand capacity in the states of Bihar by 140 KLPD and Jharkhand in the next year. This will take the overall distillery capacity from current 500 KLPD to 940 KLPD in the next 2-3 years.

During the fiscal, a slew of cost efficiency measures coupled with strategic growth initiatives helped your company generate healthy cash flows even during a challenging year. The cash generated from business has utilized towards strengthening of Balance sheet, both for funding capex as well as reduction of debt. The Company's total gross debt has come down to ₹ 176 crores in FY21. The finance cost has also reduced to ₹ 18 crores against ₹ 23 crores in FY20, aided by lowering debt as well as cost of debt. These efforts have enhanced your company's profitability with the ROE improving to 24% from 11% in FY20.

Currently your Company is at the stage where there is a plethora of opportunities. Macro-economic growth from structural changes in market dynamics should thrive the demand going forward. The large vaccination drive shall also help the economies move rapidly towards normalcy. In addition, the new capacity additions and strong balance sheet is likely to take your Company to new heights going forward.

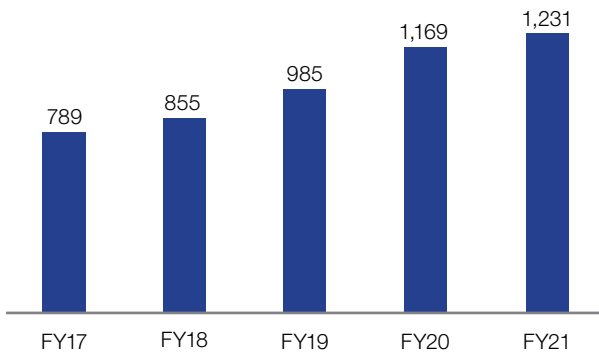
With this, I would like to take this opportunity and thank all the employees and stakeholders for their support and patience.

Sd/-  
Chairman

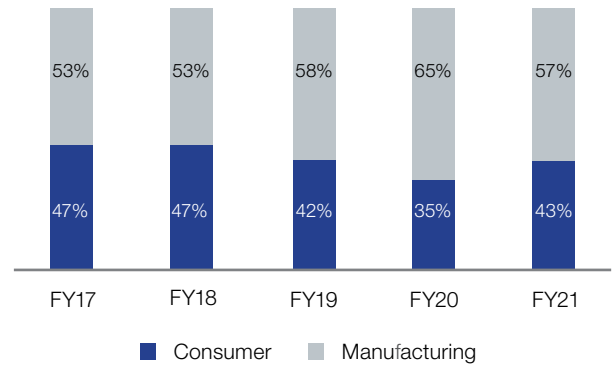
# Historical Financials

## (Standalone)

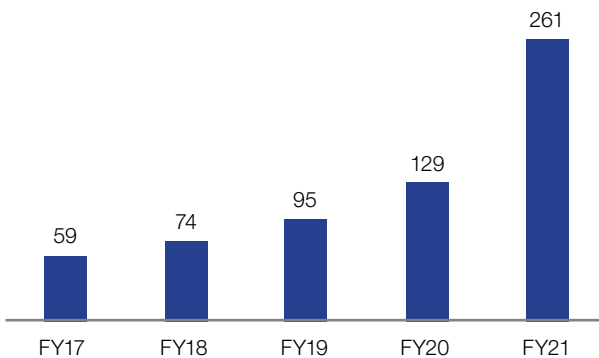
**Net Revenues (₹ Crore)**



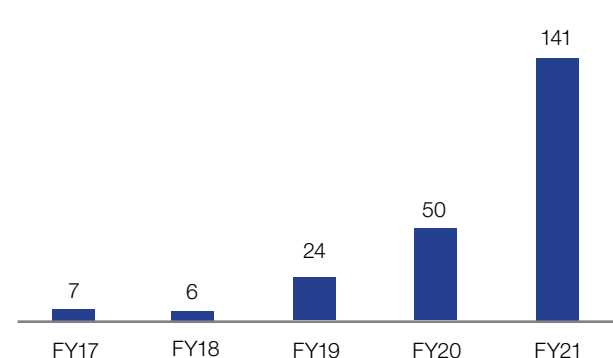
**Segment Revenue Split**



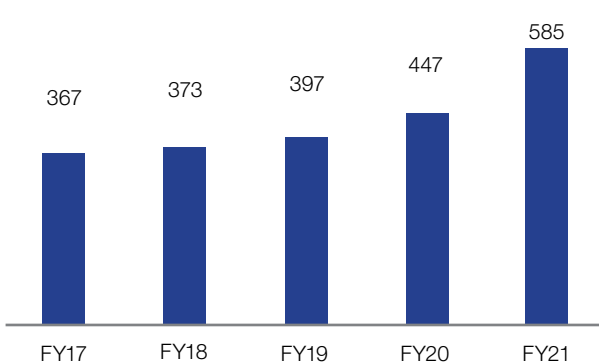
**EBITDA (₹ Crore)**



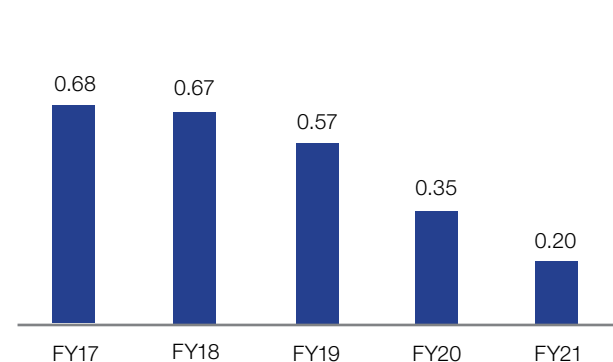
**Profit after Tax (₹ Crore)**



**Net Worth (₹ Crore)**



**Debt-Equity Ratio (x)**



# Board's Report

To the Members

Your Board of Directors are pleased to present the Twenty-eighth Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2021.

## FINANCIAL PERFORMANCE

(₹ In Lakhs)

Particulars	Current Year (2020-21)		Previous Year (2019-20)	
	Standalone	Consolidated	Standalone	Consolidated
Total Revenue	166077.33	167869.01	125933.44	127116.77
Total Expenses	145752.12	147691.72	118282.05	120426.57
Profit before Exceptional items & Tax	21078.69	20177.29	7651.39	6690.20
Less: Provision for taxation including Deferred tax	6095.31	6095.31	1720.18	1720.08
Profit/ (Loss) after tax	11825.64	14081.98	5931.21	4970.12
Basic EPS	41.06	48.90	20.60	17.33
Diluted EPS	41.06	48.90	20.60	17.33

## PERFORMANCE OVERVIEW

During the year under review the company reported a growth of 32% in revenue as compare to previous year and PBT has been increased by ₹ 134.27crores from the previous year and also PAT has been increased by ₹ 58.94 crores from the previous year. The Basic and Diluted EPS of the Company is ₹ 41.06/- as compared to ₹ 20.60/- in the previous year.

## THE YEAR IN PERSPECTIVE

The fiscal 2020-21 was characterised as a challenging and unprecedented year for most industries. Despite the COVID-19 pandemic, your company has been able to face this challenge head-on and have been able to deliver a robust performance. In FY20-21, your Company reported a growth of 5.3% in net revenues to reach ₹ 1,231 crore and 103% growth in EBITDA to reach ₹ 261 Crores with operating margin of 21%. Net profit grew from ₹ 50crores in FY19-20 to ₹ 141 Crores in the year under review. Profitability improved significantly on the back of higher share of Consumer Business driven by volume and value growth and higher realizations in manufacturing business.

The share of consumer business grew to 43% in FY20-21 from 35% in FY19-20. The consumer business comprising value segment grew by 24% during the year. The Company's key markets like Rajasthan state performed well with the introduction of Medium Liquor segment which got a good response and performance; The Haryana market improved in the past fiscal on the back of Government's support to eradicate the illicit liquor market, whereas the West Bengal market had few COVID-19 related headwinds and is recovering. Our markets share improved both in Rajasthan to almost 29% and in Haryana 10% during the year under review.

Your Company has been working on building a strong portfolio of premium segment brands under the Unibev umbrella currently with 3 brands spread across 10 states, our volumes in premium segment de-grew by around 14% in primary, the secondary performance witnessed a de-growth of 11%.

## DIVIDEND

Your Directors are pleased to recommend dividend of Re. 2/-, i.e. 20% per equity share of the company for the year 2020-21.

## PUBLIC DEPOSITS

The Company has not accepted or invited deposits covered under the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules 2014 from any person during the year under Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year Mr. Richard Piliero, have resigned from the Board of Directors of the company w.e.f. 08<sup>th</sup> February 2020. The Directors place on record his appreciation of the valuable contribution made by him.

Mr. Shekhar Swarup, Joint Managing Director of the company, retire by rotation and being eligible offer himself for re-appointment. The Board recommends his re-appointment.

## **SUBSIDIARY COMPANIES**

Your Company has one subsidiary viz., M/s Unibev Limited (formerly known as M/s Uber Blenders & Distillers Limited) (Indian subsidiary).

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiary is set out in the prescribed form **AOC-1**, which forms part of the annual report.

## **CORPORATE GOVERNANCE**

As per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Compliance Report on Corporate Governance has been annexed as part of the Annual Report.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The CSR Policy of the Company and the details about the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in **Annexure-II** to this Report. Further details of composition of the Corporate Social Responsibility Committee and other details are provided the Corporate Governance Report which forms part of this report. The policy on Corporate Social Responsibility as approved by the Board of Directors is available on the website of the Company [www.globusspirits.com](http://www.globusspirits.com).

## **NOMINATION AND REMUNERATION POLICY**

The Nomination & Remuneration Policy as approved by the Board on recommendation of the Nomination & Remuneration Committee is available on website of the Company [www.globusspirits.com](http://www.globusspirits.com).

## **AUDITORS**

The Company, in terms of Section 139 (1) and (2) of the Act 2013, have appointed M/s Deloitte Haskins & Sells, Firm Regn

No. 015125N, Chartered Accountants, having their office at 7<sup>th</sup> Floor, Building 10, DLF Cyber City Complex, DLF City Phase-II, Gurgaon-122002, Haryana as statutory auditors for 03<sup>rd</sup> term of their remaining four years vide AGM dated 24<sup>th</sup> September 2021.

## **AUDITORS' REPORT**

The notes on accounts appearing in the schedule and referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments or explanations. There are no adverse remarks/qualifications in the auditor's report.

## **COST AUDIT**

The board subject to the approval of the Central Government, if required, has appointed M/s JSN & Co., Cost Accountants, having Firm's registration no. 455, its office at 462/1, 1<sup>st</sup> Floor, Old MB Road, Lado Sarai, New Delhi-110030, as Cost Auditor for conducting the Cost Audit for the financial year 2021-22. The audit committee recommended his appointment and remuneration. The Company has also received necessary certificate under Section 141 of the Act 2013 conveying his eligibility for re-appointment. The remuneration fixed by the board, based on the recommendation of the audit committee is required to be ratified by the members at the AGM as per the requirement of Section 148(3) of the Act 2013.

## **SECRETARIAL AUDIT REPORT**

Secretarial Audit Report has been annexed herewith & forms part of the Annual Report.

## **PARTICULARS OF EMPLOYEES**

Statement pursuant to u/s 197 (12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of top ten employees are as follows :-

## Particulars of Top Ten Employees:

Name	Designation	Nature of Employment	Age	Date of Joining	Qualifications & Experience	Previous Employment	%age of Equity shares held	Gross Remuneration
Ajay Kumar Swarup	Managing Director	Permanent	62	16-Jan-1993	PGDBM (37 years of experience)	M/s SVP Industries Ltd.	6.68%	24101563
Shekhar Swarup	Joint Managing Director	Permanent	35	27-Oct-2008	Degree in Business & Management (13 years of experience)	N.A.	2.60%	21015625
Bhaskar Roy	Executive Director & COO	Permanent	59	04-Oct-2005	Mcom, FCA, PHD (32 years of experience)	M/s Saraya Industries Limited	0.00%	9091515
R.K. Malik	President (Operation-North)	Permanent	64	15/Aug/2000	MBA (43 years of experience)	M/s Golden Bottling	0.00%	6000000
Manik Lal Dutta	Executive Director	Permanent	75	01-Aug-2006	M.Tech, PGDBM (47 years of experience)	M/s United Spirits Limited	0.00%	5976264
Jasbeer Singh	Vice President – Exports	Permanent	63	01-Oct-2014	BSc., MBA(over 20 years of experience)	N.A.	0.00%	4615090
Amitabh Singh	Vice President	Permanent	54	16-Apr-2013	B.Sc. Engineering (30 years of experience)	M/s Radico Khaitan Limited	0.00%	3800002
Pankaj Tyagi	Vice President	Permanent	47	14-May-2015	B.Sc. Engineering (23 years of experience)	M/s Brahamaputra Biochem Pvt. Ltd.	0.00%	4307424
Prashant K. Singh	Sr. Vice President	Permanent	59	19-Oct-2020	B.Sc. Engineering, PGD in Sugar Engineering (34 years of experience)	M/s Simbhaoli Sugar Pvt. Ltd.	0.00%	1750000

### Notes:

1. The percentage of equity share holding mentioned as above is as on 31<sup>st</sup> March 2021.
2. None of the Directors or employees are inter related to each other except Sh. Ajay K. Swarup, Managing Director of the company is the father of Sh. Shekhar Swarup, Joint Managing Director of the company.

## CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION / RESEARCH & DEVELOPMENT ETC.

Particulars as required under Rule 8 (3) of the Companies (Accounts) Rules, 2014 are given in **Annexure I** and form part of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Management's Discussion and Analysis Report has been annexed & forms part of the Annual Report.

## DIRECTORS RESPONSIBILITY STATEMENT

**Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, it is hereby confirmed**

1. That in preparation of the Annual Accounts for the financial year 2020-21, the applicable Accounting Standards have been followed along with explanation relating to material departures, if any.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at 31<sup>st</sup> March, 2021 and of the results of the Company for that period.

3. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the directors had prepared the Annual Accounts for the financial year 2020-21 on a going concern basis.
5. That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly ; and
6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 ( the "Act") is enclosed at **Annexure-III** in the prescribed form **MGT-9** and forms part of this Report.

## NUMBER OF MEETINGS OF THE BOARD

4 meetings of the Board of Directors of the Company were held during the year. For detail of the meetings, please refer to the Corporate Governance Report, which forms part of this Report.



## AUDIT COMMITTEE

Composition and other details pertaining to Audit Committee has been disclosed in the Corporate Governance Report.

## INDEPENDENT DIRECTORS' DECLARATION

Mr. Santosh Kumar Bishwal, Mr. Vivek Gupta, Mr. Kunal Agarwal, Mr. Sunil Chadha and Ms. Ruchika Bansal, who are Independent Directors, have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

## POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Act are covered in Corporate Governance Report which forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Act, is enclosed at **Annexure-III** in the prescribed form **MGT-9** and forms part of this Report and can be accessed on the company's website [www.globusspirits.com](http://www.globusspirits.com).

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. A declaration to this effect has been signed by the Managing Director and forms part of the Annual Report.

## CODE FOR PREVENTION OF INSIDER TRADING

Your Company has adopted a comprehensive 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and also a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' relating to the Company, under the provisions of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Board of Directors have approved and adopted the 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.

## RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors are related to each other within the meaning of the term "relative" as per Section 2(77) of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 except Sh. Shekhar Swarup (Joint Managing Director) is the son of Sh. Ajay Kumar Swarup (Managing Director) of the Company.

## ANNUAL PERFORMANCE EVALUATION

The company has a mechanism for annual performance evaluation of every Individual Directors and the Board as a whole as well as its various committees.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loans, guarantees and investments under Section 186 of the Act during the financial year 2020-21 except to its Subsidiary M/s Unibev Limited (formerly known as M/s Uber Blenders & Distillers Limited).

## SECRETARIAL STANDARDS

All the provisions of Secretarial standards has been complied by the Company during Financial Year 2020-21.

## TRANSACTIONS WITH RELATED PARTIES

The Company has entered into contract / arrangements with the related parties in the ordinary course of business and on arm's length basis. The details are mentioned in the notes to accounts of the financial statements. Policy on materiality of Related Party Transactions can be accessed on the company's website [www.globusspirits.com](http://www.globusspirits.com).

## INTERNAL CONTROL

The information about internal controls is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

## RISK MANAGEMENT

The Company has a Risk Management Committee & also it has in place a Risk Management Policy to deal with various risks arising in the course of business. The key responsibilities of Risk Management Committee are namely, Identification of risks, Implementing and monitoring the risk management plan for the Company and reframe the risk management plan and policy as it may deem fit, lay down procedures to inform Board members about the risk assessment and minimization procedures, Monitoring and reviewing of the risk management plan from time to time and activities as may be required to be done under the Companies Act 2013 or SEBI listing Regulations.

## VIGIL MECHANISM

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns.

## DIVIDEND DISTRIBUTION POLICY

As required under Regulation 43A of the Listing Regulations, the Company has formulated a Dividend Distribution Policy. This policy can be viewed on the Company's website at [www.globusspirits.com](http://www.globusspirits.com).

## PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

Financial position of the subsidiary M/s Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Ltd.) is provided in a

separate statement **AOC-1**, attached to the Financial Statement pursuant to first proviso to Section 129(3) of the Act.

## PARTICULARS OF REMUNERATION

The information required under section 197 of the Companies Act, 2013 and the rules made there under, in respect of employees of the Company, is follows :-

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company

Executive Directors	Ratio to the Median Remuneration*
Mr. Ajay Kumar Swarup	93.41
Mr. Shekhar Swarup	81.45
Mr. Manik Lal Dutta	23.16
Dr. Bhaskar Roy	35.24
Non-Executive Directors (Sitting Fees only)	
Sh. Santosh Kumar Bishwal	1.16
Sh. Vivek Gupta	1.16
Sh. Kunal Agarwal	0.46
Sh. Sunil Chadha	0.52
Ms. Ruchika Bansal	0.23

\* for the purpose of comparison 12 months salary has been considered for all the employees even though any employee has worked for less than 12 months

- (b) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year**

Name of the Person	% increase in Remuneration
Mr. Ajay Kumar Swarup (Managing Director)	38%
Mr. Shekhar Swarup (Joint Managing Director)	40%
Mr. Manik Lal Dutta (Executive Director)	21%
Dr. Bhaskar Roy (Executive Director)	20%
Sh. Santosh Kumar Pattanayak (Company Secretary)	8%

- (c) **The percentage increase in the median remuneration of employees in the financial year**

3% (Since there is lot of variation in the no. of employees during the current year as compare to previous year, comparison of the exact median remuneration may not be accurate.)

- (d) **The number of permanent employees on the rolls of Company as on 31/03/2021: 568**

- (e) **The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average increase in salaries of employees other than managerial personnel in 2020-21 was 10% approximately. Percentage increase in the managerial remuneration for the year was also approximately 25.40%.

- (f) **The affirmation that the remuneration is as per the remuneration policy of the Company**

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

## PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

## ACKNOWLEDGEMENT

The Board wishes to place on record its appreciation for the wholehearted support and valuable co-operation extended to the Company by the Central & the State Governments, Bankers, Suppliers, Associates, Contractors, employees and shareholders.

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

(Dr. Bhaskar Roy)  
**Executive Director & COO**

(Ajay K. Swarup)  
**Managing Director**

Place: New Delhi  
Date : August 08, 2021

(Santosh Kumar Pattanayak)  
**Company Secretary**

(Shekhar Swarup)  
**Joint Managing Director**

# Annexure I

## to the Directors' Report 2020-21

Particulars required under Rule 8 (3) of the Companies (Accounts) Rules, 2014.

### (A) Conservation of Energy

Conservation of energy is a high priority area for the Company and the Company has proper system for reduction of consumption of energy.

#### a) Energy Conservation Measures Taken:

- 1) Setting up evaporators for all plants to concentrate effluent which will give value addition of final product as cattle feed, zero discharge for environmental protection and water availability as hot condensate for process reuse, saving on use of fresh cold water and heat/energy saving.
- 2) Recycle of hot high temperature spent lyes and hot condensate streams for process/boiler and saving fresh cold DM water and energy in terms of heat saving with hot spent lyes.
- 3) Lowering the steam pressure in jet cookers to enable generation of power from steam used and reduce steam consumption to 50% of the present usage.

#### b) Additional Investments & Proposals, if any, being implemented for reduction of consumption of Energy:

- 1) Increasing alcohol percentage in fermentation thereby lowering effluent quantity generation and production at lower steam consumption per liter of product.
- 2) Reconfiguration of high temperature streams to reduce steam consumption in process such as liquefaction & evaporation.

#### c) Impact of measures at (a) & (b) above for reduction of energy consumption & consequent impact on the cost of production of goods:

-As mentioned in point (a)

### (B) Technology Absorption

FORM - B

(Form for Disclosure of Particulars with respect to Absorption.)

- (i) The Company's plants are based on indigenous technology which has been fully absorbed.
- (ii) The Company does not have separate Research & Development Section. However, steps are being taken continuously for:
  - a Improvement in product quality
  - b Improvement in productivity
  - c Improvement in cost effectiveness
- (iii) Expenditure of R & D .....Nil

### (C) Foreign Exchange earnings & Outgo

	2020-2021	2019-2020
Foreign Exchange earnings (Export Sale)	INR 49.38crores	INR 19.82crores
Foreign Exchange used (Import of Machine)	NIL	NIL

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

(Dr. Bhaskar Roy)  
**Executive Director & COO**

(Ajay K. Swarup)  
**Managing Director**

Place: New Delhi  
Date : August 08, 2021

(Santosh Kumar Pattanayak)  
**Company Secretary**

(Shekhar Swarup)  
**Joint Managing Director**

# ANNEXURE -II

## CORPORATE SOCIAL RESPONSIBILITY

### Corporate Social Responsibility Policy – Overview

The Company has its CSR Policy within broad scope laid down in Schedule VII to the Act, as projects / programmes / activities, excluding activities in its normal course of business.

### The Composition of the CSR Committee.

The constitution of the Corporate Social Responsibility (CSR) Committee is as under:-

Name of the Members	Designation	Designation in Company
Mr. Santosh Kumar Bishwal	Chairman	Independent Director
Mr. Vivek Gupta	Member	Independent Director
Mr. Shekhar Swarup	Member	Executive Director
Dr. Bhaskar Roy	Member	Executive Director

Terms of reference of the CSR Committee are:

1. Formulate and recommend to the board, a CSR policy indicating the activity or activities to be undertaken by the company as specified in Schedule VII of the Act;
2. Recommend the amount to be spent on these activities; and
3. Monitor the company's CSR policy periodically.
4. Institution of transparent monitoring mechanism for the implementation of CSR projects.

**Average net profit of the company for last three financial years :** Rs.43,02,22,627/-

**Prescribed CSR Expenditure** (two percent of the Average net profit) : Rs.86,04,453/-

**Details of CSR spent during the financial year.** During the FY 2020-21, the company spent the entire amount in the following manner.

**Manner in which the amount spent during the financial year is detailed below.**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Subheads: (1)Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Engaged in eradicating environment pollution	Engaged in eradicating environment pollution	North India especially in Punjab sector	₹ 40 lakhs	₹ 40 lakhs	₹ 40 lakhs	Through Implementing Agency M/s India Paryavaran Sahayak Foundation
2	Providing basic facilities and amenities in schools	Providing basic facilities and amenities in schools	Near villages in Samalkha unit, Haryana	₹ 0.82 lakhs	₹ 0.82 lakhs	₹ 0.82 lakhs	Directly executed by the company
3	Providing Street Light facilities near the villages surrounding to our West Bengal unit.	Providing Street Light facilities near the villages surrounding to our West Bengal unit	Near Villages in West Bengal Unit of the company	₹ 4.40 lakhs	₹ 4.40 lakhs	₹ 4.40 lakhs	Directly executed by the company
4	Conducting Training and skill development programme	Training for Skill development	Behror (Rajasthan) and Samalkha (Haryana)	₹ 41.57 lakhs	₹ 41.57 lakhs	₹ 41.57 lakhs	Directly executed by the company in association with M/s GRAS Skill Foundation

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

Place: New Delhi  
Date: August 08. 2021

(Dr. Bhaskar roy)  
**Executive Director**

(Ajay K. Swarup)  
**Managing Director**

(Santosh Kumar Bishwal)  
**(Chairman-CSR Committee)**

# ANNEXURE -III

## FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

### EXTRACT OF ANNUAL RETURN AS ON FY ENDED ON 31/03/2021

#### I REGISTRATION & OTHER DETAILS:

i	CIN	L74899DL1993PLC052177
ii	Registration Date	16th February 1993
iii	Name of the Company	M/s Globus Spirits Limited
iv	Category of the Company	Manufacturing & Marketing of Alcoholic Beverages
v	<b>Address of the Registered office &amp; contact details</b>	
	Address :	F-0, The Mira Corporate Suites, Plot No.1&2, Ishwar Nagar
	Town / City :	Mathura Road, New Delhi - 110065
	State :	Delhi
	Country Name :	India
	Telephone (with STD Code) :	011-66424600
	Fax Number :	011-66424629
	Email Address :	corporateoffice@globusgroup.in
	Website, if any:	www.globusspirits.com
vi	Whether listed company	Yes
vii	<b>Name and Address of Registrar &amp; Transfer Agents ( RTA ):-</b>	
	Name of RTA:	M/s Link Intime India Private Limited
	Address :	Noble Heights, 1st Floor, Plot No. N.H-2, LSC, C-1 Block,
	Town / City :	Near Savitri Market, Janakpuri, New Delhi-110058
	State :	Delhi
	Pin Code:	110058
	Telephone :	011-41410592
	Fax Number :	011-41410593
	Email Address :	delhi@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Potable Alcohol (RS/ENA/IMIL/IMFL) (UNDNATRD ETHYL ALCHL WTH>80% ALCHL STRNGTH; SPRTS, LIQRS & OTHR SPRTOUS BVRGS;COMPND ALCHL PRPN FOR MNUFACTRE OF BVRGS)	2208	99.54%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	M/S Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Limited)	U15122DL2014PLC273878	Subsidiary	99.97%	2 (87)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2020)				No. of Shares held at the end of the year (31.03.2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4274042	0	4274042	14.84%	4293369	0	4293369	14.91%	0.45%
b) Central Govt	0	0	0	0%	0	0	0	0%	0.00%
c) State Govt(s)	0	0	0	0%	0	0	0	0%	0.00%
d) Bodies Corp.	11779994	0	11779994	40.90%	11799994	0	11799994	40.97%	0.17%
e) Banks / FI	0	0	0	0%	0	0	0	0%	0.00%
f) Any other	0	0	0	0%	0	0	0	0%	0.00%
<b>Sub-total (A) (1):-</b>	<b>16054036</b>	<b>0</b>	<b>16054036</b>	<b>55.74%</b>	<b>16093363</b>	<b>0</b>	<b>16093363</b>	<b>55.88%</b>	
<b>(2) Foreign</b>									
a) NRI - Individual/	0	0	0	0.00%	0	0	0	0%	0%
b) Other - Individual/	0	0	0	0.00%	0	0	0	0%	0%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0%	0%
d) Banks / FI	0	0	0	0.00%	0	0	0	0%	0%
e) Any Others	0	0	0	0.00%	0	0	0	0%	0%
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>
<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>16054036</b>	<b>0</b>	<b>16054036</b>	<b>55.74%</b>	<b>16093363</b>	<b>0</b>	<b>16093363</b>	<b>55.88%</b>	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	102824	0	102824	0.36%	911	0	911	0.00%	-99.11%
c) Central Govt	0	0	0	0%	0	0	0	0%	0.00%
d) State Govt(s)	0	0	0	0%	0	0	0	0%	0.00%
e) Venture Capital Funds	0	0	0	0%	0	0	0	0%	0.00%
f) Insurance Companies	0	0	0	0%	0	0	0	0%	0.00%
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Investors	223000	0	223000	0.77%	238749	0	238749	0.83%	7.06%
i) Others	276000	0	276000	0%	72000	0	72000	0.25%	0.00%
<b>Sub-total (B)(1):-</b>	<b>601824</b>	<b>0</b>	<b>601824</b>	<b>1.13%</b>	<b>311660</b>	<b>0</b>	<b>311660</b>	<b>1.08%</b>	
<b>2. Central / State Govt. (B-2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>100.00%</b>
<b>3. Non-Institutions</b>									
a) Bodies Corp.	447358	0	447358	1.55%	719710	0	719710	2.50%	60.88%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	4000620	1964	4002584	13.90%	4538481	1134	4539615	15.76%	13.42%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1514190	0	1514190	5.26%	1237164	0	1237164	4.30%	-18.30%
c) Others (specify)									
Clearing Member	109462	0	109462	0.38%	94414	0	94414	0.33%	-13.75%
NRI (Repat)	310979	0	310979	1.08%	329666	0	329666	1.14%	6.01%
NRI (Non-Repat)	99611	0	99611	0.35%	114082	0	114082	0.40%	14.53%
Foreign Companies	5038168	0	5038168	17.49%	4970766	0	4970766	17.26%	-1.34%
Others	621056	0	621056	2.16%	388013	815	388828	1.35%	-37.39%
<b>Sub-total (B)(3):-</b>	<b>12141444</b>	<b>1964</b>	<b>12143408</b>	<b>42.17%</b>	<b>12392296</b>	<b>1949</b>	<b>12394245</b>	<b>43.04%</b>	
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2) + (B)(3)</b>	<b>12743268</b>	<b>1964</b>	<b>12745232</b>	<b>43.30%</b>	<b>12703956</b>	<b>1949</b>	<b>12705905</b>	<b>44.12%</b>	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0%</b>
<b>Grand Total (A+B+C)</b>	<b>28797304</b>	<b>1964</b>	<b>28799268</b>	<b>100%</b>	<b>28797319</b>	<b>1949</b>	<b>28799268</b>	<b>100%</b>	

ii Shareholding of Promoters & Promoters group

SI No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2020)			Share holding at the end of the year (31.03.2021)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Chandbagh Investments Limited	11209140	39.21%	0%	11209140	39.21%	0%	0.00%
2	Ajay Kumar Swarup	1924254	5.62%	0%	1924254	5.62%	0%	0.00%
3	Ms. Surabhi Bishoi and Mr. Ajay Kumar Swarup (Trustees holding on behalf of Surabhi Family Trust)	1426860	0.00%	0%	1426860	4.95%	0%	0.00%
4	Anoop Bishnoi	192960	5.62%	0%	192960	0.67%	0%	0.00%
5	Globus Infosys Pvt. Ltd.	538854	1.87%	0%	538854	1.87%	0%	0.00%
6	Shekhar Swarup	729608	1.88%	0%	748935	2.12%	0%	2.65%
7	Rambagh Facilities Services LLP	32000	0.00%	0%	52000	0.11%	0%	62.50%
8	Bhupendra Kumar Bishnoi	90	0.00%	0%	90	0.00%	0%	0.00%
9	Roshni Bishnoi	90	0.00%	0%	90	0.00%	0%	0.00%
10	Madhav Kumar Swarup	60	0.00%	0%	60	0.00%	0%	0.00%
11	Madhavi Swarup	60	0.00%	0%	60	0.00%	0%	0.00%
12	Saroj Rani Swarup	60	0.00%	0%	60	0.00%	0%	0.00%
	TOTAL	16054036	54.21%	0%	16093363	54.56%	0%	

iii Change in Promoters' Shareholding

During the year, the holding M/s Rambagh Facilities Services LLP has been increased by 20000 shares and these shares has been purchased through open market in various transactions.

Further during the year, the holding of Mr. Shekhar Swarup has been increased by 19327 shares and these shares has been purchased through open market in various transactions.

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.: 1 For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01/04/2020)		Change in Shareholding during the year		Shareholding at the end of the year (31/03/2021)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
TEMPLETON STRATEGIC EMERGING MARKETS FUND IV LDC	5038168	17.49%	-67402	-0.23%	4970766	17.26%
SAMAR VOYAGER LLP	71400	0.25%	319080	1.11%	390480	1.36%
MASSACHUSETTS INSTITUTE OF TECHNOLOGY	223000	0.77%	0	0.00%	223000	0.77%
BODEPUDI JEEVAN KISHORE	190000	0.66%	0	0.00%	190000	0.66%
ARUN JAIN	0	0.00%	186335	0.65%	186335	0.65%
SRIKANTH DHULIPALA	384384	1.33%	-209384	-0.73%	175000	0.61%
MONA LAROAIA	0	0.00%	150000	0.52%	150000	0.52%
ASHWIN S	0	0.00%	84500	0.29%	84500	0.29%
SHAJU LOUIS PALIAKKARA	42105	0.15%	38646	0.13%	80751	0.28%
MICRO STRATEGIES FUND	126000	0.44%	-54000	-0.19%	72000	0.25%

The above details are given as on 31 March, 2021. The Company is listed and 99.99% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders is due to market operations. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

v Shareholding of Directors and Key Managerial Personnel:

During the year there is no change in the shareholdings the Directors and Key Managerial Personnel of the company except the holdings of Mr. Ajay Kumar Swarup & Mr. Shekhar Swarup as explained in the promoter shareholding section.

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Lacs)

Indebtedness at the beginning of the financial year (01.04.2020)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	18,038.60	0	0	18038.6
ii) Interest due but not paid	0	0	0	0
Total (i+ii+iii)	18038.6	0	0	18038.6
Change in Indebtness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	1.64	0	0	1.64
* Reduction	0	0	0	0
Net Change	1.64	-	-	1.64
Indebtness at the end of the financial year (31.03.2021)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	18,040.24	0	0	18040.24
ii) Interest due but not paid	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>18,040.24</b>	<b>-</b>	<b>-</b>	<b>18,040.24</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Sh. Ajay Kumar Swarup	Sh. Shekhar Swarup	Sh. Manik Lal Dutta	Dr. Bhaskar Roy	Total Amount (₹ in Lacs)
		Managing Director	Executive Director	Executive Director	Executive Director & COO	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	241.01	210.15	59.76	90.91	360.82
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>241.01</b>	<b>210.15</b>	<b>59.76</b>	<b>90.91</b>	<b>360.82</b>

### B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount (₹ in Lacs)
		Sh. Santosh Kumar Bishwal	Sh. Vivek Gupta	Sh. Sunil Chadha	Sh. Kunal Agarwal	Ms. Ruchika Bansal	
<b>1</b>	<b>Independent Directors</b>						
	Fee for attending board committee meetings	3.00	3.00	1.35	1.20	0.60	9.15
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	3.00	3.00	1.35	1.20	0.60	9.15
<b>2</b>	<b>Other Non-Executive Directors</b>						
	Fee for attending board committee meetings					-	-
	Commission						-
	Others, please specify						-
	Total (2)					-	-
	Total (B)=(1+2)	<b>3.00</b>	<b>3.00</b>	<b>1.35</b>	<b>1.20</b>	<b>0.60</b>	<b>9.15</b>
	Total Managerial Remuneration						

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	17.90	-	17.90
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	17.90	-	17.90

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year there was no penalty/punishment/compounding of offences has been executed against the company nor any of its directors/KMPs



# Secretarial Audit Report

## For the financial year ended 31 March, 2021

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**To,**  
**The Members,**  
**Globus Spirits Limited**  
**CIN: L74899DL1993PLC052177**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Globus Spirits Limited (hereinafter called "the Company"). Secretarial 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 the Company's 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, agents 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 on March 31, 2021, 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 on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under

the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), wherever applicable :-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under

review were carried out in compliance with the provisions of the Act. Ms. Ruchika Bansal has been a Director of the Company since March 28, 2015. She has been formally appointed as an Independent woman director on the Board of the Company in the Board Meeting held on August 24, 2020 to be effective since April 1, 2020.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except wherever a meeting was duly called on shorter notice as per the prescribed procedure, and 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

We further report that during the audit period, the Company has initiated the process to amalgamate its subsidiary, Unibev Limited (formerly Uber Blenders and Distillers Limited) into and with itself and the same is in advance stage. Except this event, the Company has not undertaken any such events as public or rights or preferential issue of shares, debentures or sweat equity; redemption or buy-back of securities; major decisions by the Members in pursuance to Section 180 of the Companies Act, 2013; reconstruction; Foreign Technical Collaboration or any other like event(s)/action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, et cetera.

**For SKP & Co.**  
Company Secretaries

**(CS Sundeep K. Parashar)**  
M. No. : FCS 6136  
C.P. No. : 6575  
UDIN : F006136C000744830  
PR : 1323/2021

Place: Vaishali  
Date: August 08, 2021

**To,**  
**The Members,**  
**Globus Spirit Limited,**  
**CIN: L74899DL1993PLC052177**

Our report of even date is to be read along with this letter.

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial record and Books of Accounts of the Company.
3. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For SKP & Co.**  
Company Secretaries

**(CS Sundeep K. Parashar)**  
M. No. : FCS 6136  
C.P. No. : 6575  
UDIN : F006136C000744830  
PR : 1323/2021

Place: Vaishali  
Date: August 08, 2021

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members  
Globus Spirits Limited  
New Delhi

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Globus Spirits Limited having CIN L74899DL1993PLC052177 and having registered office at F-0, Ground Floor, The Mira Corporate Suites, Plot No. 1&2, Ishwar Nagar, Mathura Road New Delhi-110065 (hereinafter referred to as 'the Company'), 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 ended on March 31, 2021 has 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 :

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>
1.	Mr. Ajay Kumar Swarup	00035194
2.	Mr. Shekhar Swarup	00445241
3.	Mr. ManikLal Dutta	00769308
4.	Ms. Santosh Kumar Bishwal	01098021
5.	Mr. Vivek Gupta	00035916
6.	Mr. KunalAgarwal	02416218
7.	Mr. Bhaskar Roy	02805627
8.	Mr. Ruchika Bansal	06505221
9.	Mr. Sunil Chadha	00401305

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. 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.

For **SKP & Co.**  
Company Secretaries

(CS Sundeep K. Parashar)  
M. No. : FCS 6136  
C.P. No. : 6575  
PR : 1323/2021  
UDIN : F006136C000745336

Place : Vaishali  
Date : August 08. 2021

# FORM-AOC-1

Statement containing salient features of the financial statement of subsidiaries

## Part "A": Subsidiaries

	Particulars	Amount (in INR Lakh)
<b>S.No.</b>	<b>Name of the Subsidiary</b>	<b>M/s Unibev Limited (formerly known as Uber Blenders &amp; Distillers Limited)</b>
1	Reporting Period	1st April 2020 - 31st March, 2021
2	Reporting Currency	Amount (in INR- lakhs)
3	Share Capital	690.86
4	Reserves & Surplus	(1,044.90)
5	Total Assets	1,317.26
6	Total Liabilities	1,317.26
7	Investments	-
8	Turnover	1,137.38
9	Profit/(Loss) before taxation	(850.24)
10	Provision for taxation	-
11	Profit/(Loss) after taxation	(850.24)
12	Proposed Dividend	-
13	% of shareholding	99.79%

## Part "B": Associates and Joint Ventures

There is no Associates and Joints Ventures of the company

For and on behalf of the Board of Directors

**Ajay K. Swarup**  
**Managing Director**  
DIN-00035194

**Shekhar Swarup**  
**Joint Managing Director**  
DIN-00769308

**Bhaskar Roy**  
**Executive Director**  
DIN-02805627

**Santosh Kumar Pattanayak**  
**Company Secretary**  
ACS-18721

Place : New Delhi  
Date : August 08, 2021

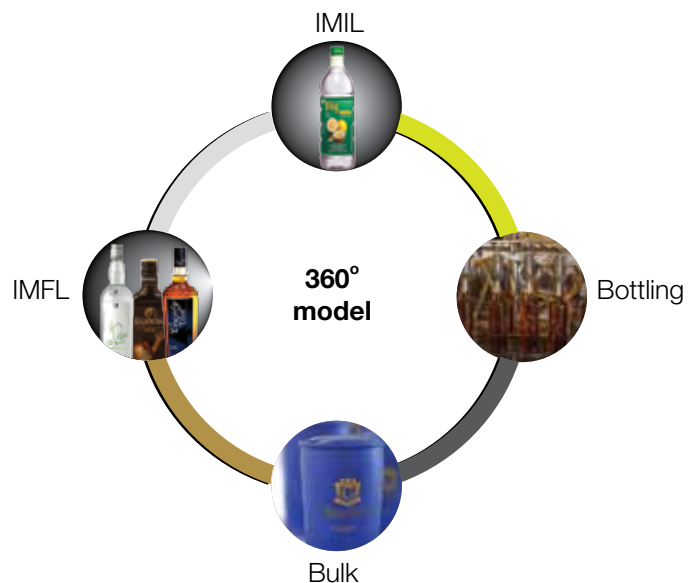


# Management Discussion & Analysis

## MACROECONOMIC SCENARIO

With the second wave impacting several countries, global economic prospects remain uncertain even as economies began opening one year into the pandemic. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-led disruptions and the extent of policy support that is being provided by national and local governments.

While the Indian economy witnessed disruption amid Covid-19 pandemic in line with global economies which caused an 8% contraction in 2020, India witnessed a stronger than expected recovery compared to other emerging markets. According to IMF, the Indian economy



is expected to grow at 12.5% in 2021. With most high-frequency indicators continuing to strengthen in Fiscal 2021, the economic recovery that commenced after the opening of the economy is expected to strengthen further in FY22 (Source: <https://www.ibef.org/economy/monthly-economic-report>).

## INDIAN SPIRITS INDUSTRY

The Indian spirits industry holds great potential in India with its 1.3 billion population that is the demographic sweet spot for the consumer industry. With one of the youngest population make-ups in the world with ~50 % of its population below the age of 25; and ~65% of the population below the age of 35, coupled with rapid urbanization that is expected to enhance disposable income, the Indian Spirits Industry is set for a strong growth path.

The Indian Spirits industry consists of two distinctive markets differentiated based on target audience, product characteristics and distribution network:

1. Indian Made Indian Liquor (IMIL)
2. Indian Made Foreign Liquor (IMFL)

Parameter	IMIL	IMFL
Likely Consumer Segment differs in size and status	Socio-economic D, comprising ~40% of population excluding below poverty line population	More affluent, socioeconomic sections C and upwards
Growth is more in sync with population growth	~11% CAGR** for households with Household Premium ness Index (HPI) * between 6-10 (~SEC D)	Higher growth in IMFL with increasing affluence in India: e.g., ~14%+ CAGR for households with HPI >10 (SEC C+)
Taste Preference	Local fruit flavour dominated market, varies with states	North India - Whisky East India - Rum South India - Brandy & Rum
Point of Purchase	State Government Regulated vends; Banned in Southern India, apart from dry states	Standalone retail outlets, department stores and Government owned shops in some states like Delhi
Excise Control	Highly regulated: Distillery must for selling in the state of sale Excise of ₹ 15 per Proof Litre	Less restricted than IMIL, but higher excise duties of minimum of ₹ 40 per Proof Litre
Alcohol Content	~30% on average Earlier made from Rectified Spirits, now increasingly trending towards ENA	42.8% IMFL is made from ENA (higher purity 96%)
Min Retail Price	₹ 30-40 per nip (smallest size)	Starts from ₹ 80 per nip (economy brands)
Brand Loyalty	Low with high distributor power and price sensitive consumer; now changing in line with increasing brand consciousness	High with multiplicity of purchase options and more affluent consumer

**The Indian market is shaping into an hourglass shaped market with product development efforts being aimed either at the top where margins are high or at the base where volumes are high, backed with high growth as well.**



## IMIL Industry

IMIL is evolving from a restricted quota-based, commoditized market to a consumer driven brand based industry. The main attractiveness of this market lies in its sizable base, comprising SEC-D and below which could translate into ~40% of total population (excluding Below Poverty Line).

The growth in this segment is expected to be driven by growing consumer base, rising rural incomes and consumption, conversion from illicit/ toddy to IMIL with increasing awareness about health and quality, conducive regulatory policies and aided by growth in population. In the short run, the IMIL industry could benefit from lower discretionary incomes, which would push up the demand for lower priced liquor.

WHO, in 2010, estimated the illicit and unreported segment at ~75% of the reported market. Though this percentage may have reduced since then, it would still be sizable representing a large opportunity for the IMIL industry. The State Governments are expected to play an important role in this conversion. While they are developing the organized IMIL market to prevent hooch tragedies, the excise revenue potential is also significant.

## IMFL Industry

After experiencing rapid growth during 2001 to 2011 period, growth in the IMFL segment slowed down significantly and has been flat for the last few years. The mass segment has borne the brunt with volumes declining though this has been partly offset by growth in the premium segment.

Nonetheless, the market at present is still dominated by strong national brands at low price points. The 300+ million cases market is undergoing a transformation with newer entrants, challenging the traditional labels and more so in the higher price points. There are high potential niche opportunities that are emerging in the space.

## Covid-19 impact and subsequent recovery

The Covid-19 pandemic has rendered the last fiscal as a challenging and unprecedented year, for most industries. For the alcohol beverage industry, it has meant that key consumption events such as celebrations have gone down, restaurants, pubs and bars have been shut and demand for alcohol from these centres has seen a downward trend. However, there has been an uptick and compensatory demand that has been flowing from in-home consumption leading to increased sales through

shops and home deliveries. While this has been playing out largely in urban areas and metros, rural India, Tier II and Tier III cities - have been leading the charge in bringing the economy back on its feet.

Over the past year, there has been a recalibration of levies on alcohol as a lot of state governments turned to ad-hoc charges being implemented. States that imposed the "corona-cess" on liquor in May 2020 to compensate for the revenue deficit during Covid-19 lockdown saw sale of alcohol plummeting by more than half during the relaxation phase. The following table summarises some of the actions taken by the states:

State	Rate hike during Covid-19	Recent Development
Rajasthan	10% increase in excise duty on IMFL	Withdrew the hike but only for beer
Delhi	70% Covid Cess on MRP	Rolled back 70% covid cess & increased VAT by 5%
Karnataka	11% increase in excise duty	
Andhra Pradesh	75% increase in excise duty	Reduced by 2-30%
Telangana	15% Covid Cess on MRP	
West Bengal	30% additional sales tax	Reduced to 15%
Odisha	30% Covid Cess on MRP	
Punjab	Additional excise of ₹ 10 per bottle	
Tamil Nadu	15% increase in excise duty	
Kerala	35% Covid Cess on IMFL	
Assam & Meghalaya	25% increase in excise duty	Withdrew the hike
Uttar Pradesh	Hike of ₹ 5 to ₹ 400 depending upon type and size	
Jammu & Kashmir	50% increase in excise duty	Withdrew the hike
Goa	20% increase in excise duty	

## BUSINESS OVERVIEW

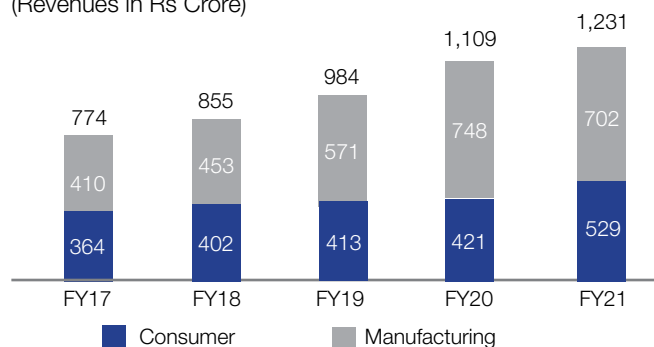
In Fiscal 2021, despite the pandemic, the consolidated Net Revenue (net of excise duty) of ₹ 1,230.7 crore was higher by 5.3% year-on-year from ₹ 1,168.8 crore in Fiscal 2020. Profitability improved phenomenally with EBITDA almost doubling to ₹ 261 crore from ₹ 128 crore in Fiscal 2020 and



Net Profit after Tax rose almost 3x to ₹ 140.8 crore from ₹ 49.7 crore in Fiscal 2020. This significant jump can be attributed to a higher share of consumer business, better realisations on bulk alcohol, lower finance costs on account of paring of debt, lower tax rate on account of ATIA deduction and MAT credit and other cost rationalisation measures that your Company undertook. This performance was achieved despite the pandemic led restrictions in the initial period as well as the floods in Bihar.

## Net Revenue Breakup

(Revenues in Rs Crore)



## BUSINESS SEGMENTS

### Manufacturing Segment

The manufacturing business revenue, comprising (a) Bulk alcohol manufacturing (b) Franchisee IMFL (third party bottling) and c) By-Products, was ₹ 702 crore during Fiscal 2021. Manufacturing revenues were impacted by lower production of bulk alcohol due to Covid-19 and flood disruptions in Bihar, combined with higher captive requirements for the consumer business.

**Bulk Alcohol:** The bulk alcohol division is the backbone of your company's 360° business model and provides high quality Extra Neutral Alcohol to the other divisions, ensuring a sustainable competitive advantage. Several structural changes that were set in motion over the past few years are beginning to play out and this is further strengthening our play. Ethanol blending in India has reached more than 7.2 per cent — the first time it has reached this level — in the first four months of the ethanol supply year 2020-21 (December to November), putting the country on course to meet the target of 10 per cent blending by 2022.

For the Fiscal 2021, bulk alcohol sales for your Company were 103 million bulk litres as compared to 110 million bulk litres in Fiscal 2020. Despite the impact of Covid-19 in the initial part of the fiscal and disruptions due to floods in Bihar, the capacity utilisation was at 86%. Of the total production, ~25% of the

production was used for value added products, i.e., consumer business and franchisee bottling, balance remaining thereafter being sold externally. The bulk realisations at ₹ 53.2 per litre in Fiscal 2021 as against ₹ 52.5 per litre in Fiscal 2020, underscores the structural shift that has played out.

**Franchisee Bottling:** With the dine-in segment and hotel sales impacted, our bottling operations saw a subdued year with 2.8 million cases as opposed to 4 million cases bottled in FY20. Your Company has bottling contracts with ABD India in the state of Rajasthan and with United Spirits in the states of Haryana and West Bengal to manufacture their flagship brands. Your company's strong management, deepened relations backed by captive high quality Extra Neutral Alcohol (ENA) gives unmatched value to top IMFL companies.

**By-products:** Our other products, that is, Animal Feed Supplements (AFS), CO<sub>2</sub> and Hand Sanitisers has been a strong focus area for the Company. The By-product segment contributed about 11% to the Total Income. The market prospects for AFS remain promising though prices are volatile due to linkage to soya which is an agricultural commodity.

### Consumer Business

The consumer business revenue, comprising largely of Value segment (IMIL) and Premium Segment (IMFL), has shown strong performance in Fiscal 2021 and grew by ~26% year-on-year to reach ₹ 529 crore from ₹ 421 crore in Fiscal 2020, on the back of higher volumes and better product mix.

### Value Segment

This segment has seen itself morph on the back of changing demand due to increase in income in the rural and semi urban markets. As a strong player in this segment and a market leader in some, we have been able to post strong growth even during these challenging times. Rajasthan which comprised almost 70% of volumes in Fiscal 2021, witnessed strong growth on the back of continued demand and increasing acceptance and demand for our medium liquor product which helped lead to growth despite the pandemic headwinds. Haryana volumes picked up and helped us gain almost 2% points in market share on the back of state Government efforts to streamline the liquor trade in the state. West Bengal continues to grow with minor hiccups due to change in excise policy which saw decline in volumes. Your company re-entered the Delhi market in the second half of Fiscal 2021 on a small scale. The consolidated value segment sale stood at 12.3 million cases in Fiscal 2021 as against 11.0 million cases in Fiscal 2020.

## IMIL Brand Portfolio



**Nimboo**

**1<sup>st</sup> IMIL brand in India** positioned as awesome mix of natural lemon flavor with strong yet smooth blend profile



**Narangi**

**Popular dark spirits' brand**

Positioned as refreshing and juicy as Orange



**Goldee**

**1<sup>st</sup> mixed fruits blend in IMIL Latest launch**

Smooth palette with an explosion of mixed fruits flavour in its aftertaste. A refreshing blend inspired by the local fruits of Haryana.



**Heer Ranjha**

Tribute to the most popular romantic tales of the region. Smooth blend to enjoy straight up.



**Ghoomer**

Tribute to Rajasthani folk dance ;

Blend popular in the harsh winter months of the desert region

Note: Value Segment: Includes all country liquor and Medium Liquor Brands

### **Premium Segment**

Your Company has been working on building a strong portfolio of brands under Unibev Limited, a subsidiary company which is in the process of being merged with Globus Spirits Limited. With an established presence in Pondicherry, Karnataka, Telangana, Andhra in the South and West Bengal, Chhattisgarh, Odisha in the Middle and the East, and Maharashtra, Goa in the West, your Company is hopeful of reviving expansion strategies in the forthcoming year. In wake of a challenging trading environment, your company ensured prudent steps by calibrating investments for expansion based on the regional scenarios. Our product launch of Seventh Heaven blended with up to 21-Year-Old Scotch is on track and this will be introduced in premium outlets in select states.

Unibev operates on an asset-light model with contract manufacturing arrangements. The size of the semi premium whisky segment is 20 million cases, whereas premium whisky is 8.5 million cases and super premium whisky is 1 million cases annually. The segments present a significant opportunity for growth.

### **Expansion Plan**

Your Company plans to expand in those areas that continue to remain deficit in ENA for beverage and Ethanol for petrol blending.

- Our upcoming facility in West Bengal with a capacity of 140-kilo litre per day capacity plant is a brownfield expansion with an estimated capex of ₹ 1,100 Million that is expected to come online in the third quarter of Fiscal 2022.
- The debottlenecking of the Rajasthan Plant from 140 kilo litre per day to 160 kilo litre per day sets us up for strong success in the forthcoming years
- Planning to expand the Bihar plant capacity by ~ 140 kilo litre per day
- Also planning a greenfield expansion in the state of Jharkhand
- Your Company is evaluating expansion in other states as well.

### **Financial Highlights**

- Net Revenues at ₹ 1,231 Crores, up by 5.3% y-o-y

- EBITDA at ₹ 261 Crores with EBITDA margin of 21.1%
- PAT at ₹ 141 Crores, with margin of 11.4 %

### **Environmental Compliance**

Your Company is a zero-wastewater discharge company. We care for the environment as we believe in the philosophy of sustainable development. Air pollution is controlled through the installation of relevant control devices like ESPs which help in bringing air discharge to within permissible limit. Following are the steps we have undertaken in the new expanded capacity:

#### **Air Pollution**

- a) Step forward to achieving zero discharge (explained below)
- b) Air Pollution control through installation of the relevant Control devices with ESPs
- c) Air pollution control through collection, purification, and sale of CO<sub>2</sub>. All Carbon dioxide generated in fermentation shall be collected purified and sold to buyers including soft drink manufacturers and others thus abating air pollution.
- d) Proper disposal of all effluent related products such as spent grain and fly ash. Spent Grain shall be sold as cattle feed (see below) and fly ash/ash disposed off for land fill or for brick making.

#### **Details of Zero Discharge – Liquid Discharges**

Achieved through the following steps:

1. Separation of spent grain from spent wash: The spent wash emerging from distillation (waste) would be passed through suitable equipment for the separation of spent grain.
2. Evaporation of Spent Wash: The lean spent wash would then be evaporated and concentrated to syrup in an evaporator specially put for the purpose which is integrated with the Distillation plant. This would be required to enable its drying later.
3. Mixing the concentrated spent wash with spent grain: The syrup spent wash and the spent grain obtained would be mixed to form Wet Grain which can be disposed as cattle feed.
4. Drying the same to powder: To improve on the quality of the Wet grain produced above the same would be dried and sold as dried cattle feed.

## Water Management

1. All water re-circulated to process with or without treatment thus no discharge of any water stream.
2. Surplus water used in make ups or in the boiler and cooling towers after treatment.
3. Condensate from process reused in the boiler as boiler feed water.
4. Condensate from evaporator reused in the process after treatment.
5. All cooling water is through recirculation.
6. All bottle washing water reused after treatment in the process or used for horticulture.

Thus, achievement of zero discharge on all streams as per requirement of the Pollution Boards

## R&D Activities in Globus (Technology)

- a) Higher efficiencies of conversion: The expansion was done with the state-of-the-art latest technologies to get the best conversions to alcohol at the highest efficiencies. This would be in line with the best practices being followed. We are also working on improving conversions not only of starch but also to alcohol with new strain enzymes and yeasts.
- b) Improving Distillation techniques and translating that to the plant in the expansion – Multi-pressure: To improve both on quality and energy consumption the distillation plant shall be of the multi-pressure design which would give us the benefit of both. The quality would be matched with the best alcohol available in the country.
- c) Looking at alternate disposals of spent grain: To keep in line with the requirements of government regulations we would look at the waste as cost centre and are looking at alternative markets in the cattle feed segment for its best disposal at the best price. Branding of the product is also being examined.
- d) Looking at better blends as final product diversification: With better quality alcohol available we are moving to higher segments in the potable alcohol sector with better blends and brands and would be launching further brands in the future to build our market.

## Risk Management

The nature of our business is such that it is subject to certain risks at different points of time. Some of these include escalation in the cost of raw materials and other inputs, increasing competitive intensity from other players, changes in regulation from central and state governments, changes in supplier-distributor relationship, labour shortage. Your company has always had a proactive approach when it comes to risk management where it periodically reviews the risks and strives to develop appropriate risk mitigation measures for the same. To enhance this focus, your company has formed a Risk Management Committee to frame, implement and monitor risk management plan.

## Internal Control Systems

Your Company has ensured that stringent and comprehensive controls are put in place to ensure the optimal and efficient utilization of resources and to ensure safety and protection of all assets from unauthorized use. An extensive program of internal, external audits along with periodic reviews by the management is carried out to ensure compliance with the best practices.

## Human Capital Overview

Your Company considers human capital a core area for sustainable growth and has been making conscious efforts to engage and develop human capital at all levels. The Human Resource Department of your Company is highly focused on enhancing stakeholder value by ensuring a fit between the management of an organization's employees, and the overall strategic direction of the company. Over the years your company has been able to build a team of qualified, dedicated & motivated professionals. The working atmosphere provided to the employees is aimed at creating a sense of ownership which helps them to shoulder greater responsibilities. As on 31st March 2021, the employee (excluding casual) count for the company stood at 568 compared to 519 on 31st March 2020.

## Disclaimer

Certain statements in this MDA may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in domestic industry, significant changes in the political environment, changes in tax laws & excise duties, litigation, and labour relations.

# Report on corporate governance for the year ended march 31, 2021

Your Company believes in conducting its affairs with the highest levels of integrity, with proper authorizations, accountability, disclosure and transparency. The Company strongly believes in maintaining a simple and transparent corporate structure driven solely by business needs. Shareholders' interests are on utmost priority and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The details of the Corporate Governance compliance by the Company as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the below mentioned period are as under:

- Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from April 01, 2020 to March 31, 2021.

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the system by which companies are directed and managed. A good corporate governance structure encourages companies to create value (through entrepreneurship, innovation, development and exploration) and provide accountability and control systems commensurate with the risks involved.

Globus Spirits Ltd. believes in adopting and carrying out sound corporate governance practices to build the trust of the stakeholders in the company. It strives to observe superior corporate governance principles in each activity it undertakes. The company follows cardinal principles of corporate performance, transparency, integrity and accountability in order to maximize the shareholders' long-term wealth while simultaneously achieving the goal of shareholder protection.

### 1.1 Key Board activities during the year

The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Their main function is to ensure that long-term interests of the stakeholders are being served. The agenda for Board's review / strategic review includes a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for future growth of the Company. Voluntary Corporate Governance Guidelines of the Ministry of Corporate Affairs, Government of India broadly outlines a framework for corporate sector on important

parameters like appointment of directors, guiding principles to remunerate directors, responsibilities of the Board, risk management, the enhanced role of Audit Committee and conduct of Secretarial Audit.

### 1.2 Role of the Company Secretary in Overall Governance Process

The Company Secretary ensures that all relevant information, details and documents are made available to the directors for effective decision making at the meetings. He is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the Company and the regulatory authorities.

### 1.3 Selection and Appointment of New Directors on the Board

Considering the requirements of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various committees of other companies by such persons is also considered.

### 1.4 Familiarization Program of Independent Directors

The Independent directors of our Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors with management expertise and wide range of experience are appointed as per the Governance guidelines of the Company. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website ([www.globusspirits.com](http://www.globusspirits.com)) to enable them to familiarize with the Company's procedures and practices. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors.

### 1.5 Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices for prevention of insider trading is in place. The objective of the Code is to prevent purchase and/or sale of shares of the Company by an insider on

the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. All the designated employees are also required to disclose related information periodically as defined in the Code. The aforesaid Code is available at the website of the Company ([www.globusspirits.com](http://www.globusspirits.com)).

## 1.6 Vigil Mechanism

Your Company has established a mechanism called 'Vigil Mechanism' for directors and employees to report to the appropriate authorities of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Management/Chairman of the Audit Committee of the Company. The policy has been communicated to the employees by uploading the same on the website of the Company ([www.globusspirits.com](http://www.globusspirits.com)). The employees can directly contact on the email address as mentioned in the 'Vigil Mechanism Policy' uploaded at the website of the Company. During the year under review no personnel was denied access to the Audit Committee.

## 2. BOARD OF DIRECTORS

### Composition

The Board of Directors of the Company consists of an optimal mix of Executive and Non-Executive & Independent Directors. The present Board consists of 9 Directors comprising one Chairman who is a Non-Executive - Independent Director, one Managing Director, one Joint Managing Director, two Executive Directors, three Independent Directors and one Independent Woman Director.

The Directors have in-depth knowledge of business and bring with them their respective expertise in the fields of strategy, management, finance and economics among others. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that management adheres to high standards of ethics, transparency and disclosure.

The Board also meets the requirement of the minimum number of Independent Directors being not less than one third of the Total Directors. The size and composition of the Board conforms to the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company issued letter of appointment to the Independent Director as per Schedule IV

to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company ([www.globusspirits.com](http://www.globusspirits.com)).

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 committees across all Public Limited Companies.

### Board Functioning & Procedure

Globus Spirits Ltd. believes that at the core of its corporate governance practice is the Board, which oversees how the management serves and protects the long-term interests of all stakeholders of the Company. An active, well-informed and independent board is necessary to ensure the highest standards of Corporate Governance.

Globus Spirits Ltd. believes that composition of board is conducive for making decisions expediently, with the benefit of a variety of perspectives and skills, and in the best interests of the Company as a whole rather than of individual shareholders or interest groups.

In accordance with the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board meets at least once in every quarter to review the quarterly results and other items of agenda. The agenda is sent in advance to the Directors along with the draft of relevant documents and explanatory notes.

The Company is under the process of development and implementation of the plans for orderly succession for appointment to the Board of Directors and to senior management.

During the financial year 2020-21, 4 (Four) Board Meetings were held on June 16, 2020, August 24, 2020, November 09, 2020 and February 08, 2021. The maximum gap between any two Board Meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Regulation 17 of the Listing Regulations. During the year, separate meeting of the Independent Directors was held on February 08, 2021 without the attendance of non-independent directors and members of the management.

The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

The Composition of Board of Directors as on March 31, 2021, their qualifications, attendance during the year at the Board meetings and the last Annual General Meeting, Number of other Directorships, Committee memberships

and Chairmanships held by them are given below:

Director	Qualification & Expertise	No. of Shares held as on March 31, 2021	Category of Director	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held <sup>5</sup>		
				Board Meetings during the Financial Year 2020-21	Last AGM on September 28, 2020	Directorships	Committee Memberships	Committee Chairmanships
Sh. Ajay K. Swarup	He graduated in B.A.(Honours) Economics from St. Stephens College, Delhi University and PGDBM from the Indian Institute of Management, Kolkata and having more than 37 years of expertise in Alcohol Industry	1,924,254	MD-P	4	Yes	6	-	-
Sh. Shekhar Swarup	He has completed his schooling from The Doon School, Dehradun and is a graduate in Business Management from the University of Bradford, UK. He is a Charter Member of TiE, New Delhi and having more than 12 years of experience.	748,935	E-P	4	Yes	6	-	-
Sh. Manik Lal Dutta	He is a M. Tech from Calcutta University and a Post Graduate Diploma in Business Management from Calcutta Institute of Management and has over 38 years of experience in the alcohol industry in the areas of project execution, commissioning, plant optimization, plant operation, development of IMFL blends and brands, maintenance and production planning and, quality control at various stages of liquor manufacture.	Nil	E	4	Yes	-	-	-
Dr. Bhaskar Roy	He is a Chartered Accountant and Doctorate in Commerce and has over 32 years of experience in the areas of Strategic Financial Planning, Fund Management, Accounts, Auditing, Budgeting and MIS. He has expertise in designing internal control systems for accomplishment of corporate business goals, is a keen analyst with relationship management skills and has ability to liaison with Banks, Financial Institutions and other external agencies.	100	E	4	Yes	3	-	-
Sh. Vivek Gupta	He is a B com(Hons) from Delhi University and has about 28 years of experience in senior position in Industry.	Nil	NE-I-C	4	Yes	6	2	-
Sh. Santosh Kumar Bishwal	He is a B.Sc. (Mechanical Engg) from REC, Rourkela and M.Tech. (Industrial Engineering & Operations Research) from IIT, Kharagpur Mr. Bishwal has about 42 years of experience	Nil	NE-I	4	Yes	2	1	-

Sh. Kunal Agarwal	He holds a B.A. (Honours) degree in Economics from Harvard College. He is having various exposures in Food and logistics industries.	Nil	NE-I	4	Yes	-	-	-
Sh. Sunil Chadha	He has got vast experience in running of large Thermal Power Stations and been consultants for various power stations/projects. He has done ISC from The Doon School, Dehradun in 1975 and BA Hons. Economics from Shri Ram College of Commerce, Delhi University in 1979 Masters in Business Administration from Faculty of Management Studies, Delhi University in 1981.	Nil	NE- I	4	Yes	-	-	-
Ms. Ruchika Bansal	Ruchika Bansal is a management consultant with over 14 years of work experience, specializing in corporate finance and business strategy.	Nil	NE - I -W	4	No	-	-	-

C = Chairman, MD = Managing Director, E = Executive, NE= Non-Executive Director, P = Promoter, I = Independent, N-Nominee Director, W-Woman Director

<sup>§</sup> Represents Directorships and Committee Memberships/Chairmanships in Indian Public Limited Companies only and it only covers the Membership/Chairmanship of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

• Mr. Richard Piliro has resigned from the Board of Directors of the Company w.e.f. 08<sup>th</sup> February 2021.

Private Limited Companies, Foreign Companies and companies under Section 8 of The Companies Act, 2013 are excluded for the above purposes.

Sh. Shekhar Swarup, the Joint Managing Director of the Company is the son of Sh. Ajay K. Swarup, the Managing Director of the Company and none of the other director is related to inter-se with any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 2013.

It is further being confirmed by the Board of Directors that the Independent Directors fulfill the conditions specified in these regulations and are independent of the Management.

## Skill Matrix of the Board

The Board has identified the following skills/ expertise/ competencies fundamental for effective functioning of the Company which are currently available with the Board:

Strategic Leadership Skills	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams
Financial and Risk Management	Wide-ranging financial skills, accounting and reporting, corporate finance and internal controls, including assessing quality of financial controls.  Identify the key risks to the Company and monitor the effectiveness of the risk management framework and practices
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, maintaining board and management accountability, effective stakeholder engagements and commitment to highest standards of corporate ethics and values.
Health, Safety, environment and sustainability	Experience and knowledge of working on environment, health, safety, sustainability and corporate social responsibility activities directly or as a part of operational responsibility for long term value creation.
Industry and sector experience or knowledge	Knowledge and experience to provide strategic guidance to the management.

**Directors seeking re-appointment:** As required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of Directors seeking re-appointment / appointment are forming part of the notice of 28<sup>th</sup> Annual General Meeting.

## CODE OF CONDUCT & CODE OF ETHICS

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel. The Code is available on the Company's website ([www.globusspirits.com](http://www.globusspirits.com)).

A declaration signed by the Managing Director of the Company is given below:

This is to certify that, to the best of my knowledge and belief, for the financial year ended on March 31, 2021, all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

August 08, 2021

Sd/-  
Ajay K. Swarup  
Managing Director  
DIN – 00035194



### 3. AUDIT COMMITTEE

#### BROAD TERMS OF REFERENCE

The terms of reference of this Committee covers the matters specified for Audit Committee under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are as under:

- i. Recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
- ii. Reviewing and monitoring the auditor's independence, auditor's performance and the effectiveness of the audit process;
- iii. Examining the financial statements and the auditors' report thereon;
- iv. Approval or any subsequent modification of transactions of the Company with related parties;
- v. Scrutiny of inter-corporate loans and investments;
- vi. Valuation of undertakings or assets of the Company, wherever it is necessary;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. Monitoring the end use of funds raised through public offers and related matters;
- ix. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in (i) to (viii) above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- x. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- xi. 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;
- xii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- xiii. 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; and
  - (g) Qualifications in the draft audit report
- xiv. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- xv. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- xvi. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xvii. Reviewing the adequacy of internal audit, reporting structure, coverage and frequency of internal audit;
- xviii. Discussion with internal auditors of any significant findings and follow up there on;
- xix. 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;
- xx. 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;
- xxi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xxii. To review the functioning of the Whistle Blower/Vigil mechanism. Chairperson of the Audit Committee shall be directly accessible in appropriate or exceptional cases;
- xxiii. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xxiv. Carrying out any other function as may be required by the Companies Act, 2013, rules made thereunder and Listing Agreements with the Stock Exchanges or otherwise referred by the Board from time to time; and

xxv. The Audit Committee shall mandatorily review the following information :

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The auditors of the Company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
- f) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

#### COMPOSITION

The Present members in the Audit Committee as on 31<sup>st</sup> March 2021 are as follows:-

Sl. No.	Name of Member	Designation in Committee	Designation in Company
1	Sh. Santosh Kumar Bishwal	Chairman	Independent Director
2	Sh. Vivek Gupta	Member	Independent Director
3	Sh. Kunal Agarwal	Member	Independent Director
4	Sh. Sunil Chadha	Member	Independent Director
5	Sh. Shekhar Swarup	Member	Joint Managing Director

The company secretary is the secretary to the Committee.

Note :- Sh. Richard Piliero has resigned from the Audit Committee of the Board of Directors w.e.f. 08<sup>th</sup> February 2021.

The minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

During the Financial Year 2020-21, 4 (Four) Board Meetings were held on June 16, 2020, August 24, 2020, November 09, 2020 and February 08, 2021. The attendance of Audit Committee meeting is as follows:

Members	Designation	No. of Meetings attended
Sh. Santosh Kumar Bishwal	Chairman	4
Sh. Vivek Gupta	Member	4
Sh. Kunal Agarwal	Member	4
Sh. Shekhar Swarup	Member	4
Sh. Sunil Chadha	Member	4

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee are as under:

- a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down. Recommend the identified persons to the Board for their appointment and removal. and shall carry out evaluation of every director's performance;
- b) Formulate criteria for the evaluation of every director's performance which includes determining qualifications, positive attributes and independence of a director;
- c) Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and while formulating such policy, the committee shall ensure that:
  - i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - iii. remuneration to directors, key-managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- d) Devise a policy on Board diversity;
- e) Fix the Salary and Perquisites of Executives of the Company;
- f) Consider and grant annual and special increments to the executives of the Company and to confirm the adhoc special increments granted to staff and executives of the Company;
- g) To consider the adequacy of profits of the Company and to consider remuneration payable to the Managerial persons as per requirement of the Companies Act and Schedules of the Companies Act;
- h) To approve the remuneration payable to the managerial personnel of the Company in case of inadequacy of the profits; and
  - i) To take all other consequential and incidental actions that may arise due to requirements under the Companies Act, 2013 and any amendment thereto, Listing Regulations and guidelines/circular issued by the Securities and Exchange Board of India from time to time.
  - j) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

#### Performance evaluation criteria

The company has a devised an evaluation form which is to be required to be filled by directors to rate the functioning of

Board of Directors, its Committees and individual directors. The criteria to evaluate independent directors include Participations at Meetings, Managing Relationships, Knowledge and Skill, Personal Attributes and Criteria of Independence. All independent directors are rated out of 5 on these basis.

## COMPOSITION

The constitution of the Nomination and Remuneration Committee is as under:-

Sl. No.	Name of the Members	Designation	Designation in the Company
1	Sh. Santosh Kumar Bishwal	Chairman	Independent Director
2	Sh. Vivek Gupta	Member	Independent Director
3	Sh. Sunil Chadha	Member	Independent Director

Note :- Sh. Richard Piliero has resigned from the Nomination and Remuneration Committee of the Board of Directors and Mr. Sunil Chadha has been inducted in the Nomination & Remuneration Committee w.e.f. 08<sup>th</sup> February 2021.

### Remuneration Policy:

This Remuneration Policy relating to remuneration for the directors has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

### Details of Directors Remuneration:

The details of remuneration paid to the Managing/Executive/Whole-time Directors of the Company during the financial year ended March 31, 2021 are as under:

S. No.	Name	Designation	Fixed Salaries and Allowance (₹)	Variable Portion (₹)	Others Arrears & Incentive (₹)	Commission & Other Benefits (₹)	Total (₹)
1.	Sh. Ajay K. Swarup	Managing Director	1,75,00,000	41,01,563	25,00,000	Nil	2,41,01,563
2.	Sh. Manik Lal Dutta	Executive Director	47,06,689	7,69,576	5,00,000	Nil	59,76,264
3.	Sh. Shekhar Swarup	Joint Managing Director	1,50,00,000	35,15,625	25,00,000	Nil	2,10,15,625
4.	Dr. Bhaskar Roy	Executive Director	67,73,769	16,05,746	7,12,000	Nil	90,91,515

The tenure of the appointment of Sh. Ajay K. Swarup, Managing Director has been for a period of 5 years w.e.f. December 01, 2016 and is proposed for renewal of further term of 5 years in the coming AGM.

Sh. Shekhar Swarup retire by rotation and, being eligible, offer himself for re-appointment.

The Non-Executive Directors are paid by way of sitting fees for each meeting of the Board of Directors and its Committees attended by them. The details of sitting fees paid to Non-Executive Directors during financial year 2020-21 are as under:

Name of the Non-Executive & Independent Director	Sitting Fees (₹)
Sh. Vivek Gupta	3,00,000
Sh. Santosh Kumar Bishwal	3,00,000
Sh. Sunil Chadha	1,35,000
Sh. Kunal Agarwal	1,20,000
Ms. Ruchika Bansal	60,000

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended March 31, 2021 except getting sitting fees for the meeting attended by them.

### a) Payment Terms for Executive Directors

- Salary shall not exceed limits prescribed under the Companies Act, 2013.
- Revision from time to time depending upon performance of the Company, individual Director's performance and prevailing Industry norms.
- No sitting fees.

### b) Payment Terms for Non-Executive Directors

- Sitting fees shall not exceed limits prescribed under the Companies Act, 2013.
- The remuneration payable to Non - Executive Directors is decided by the Board of Directors.

During the Financial Year 2020-21, 3 (Three) Remuneration Committee Meetings were held on August 24 2020, November 09 2020 and February 08 2021. The attendance of Remuneration Committee meeting is as follows:

Members	Designation	No. of Meetings attended
Sh. Santosh Kumar Bishwal	Chairman	3
Sh. Vivek Gupta	Member	3
Sh. Sunil Chadha	Member	1

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

### COMPOSITION

The constitution of the Stakeholders Relationship Committee is as under:-

Name of the Members	Designation	Designation in the Company
Sh. Santosh Kumar Bishwal	Chairman	Independent Director
Sh. Vivek Gupta	Member	Independent Director
Sh. Manik. Lal Dutta	Member	Executive Director
Dr. Bhaskar Roy	Member	Executive Director

### COMPLIANCE OFFICER

Shri Santosh Kumar Pattanayak, Company Secretary of the Company has been appointed as the Compliance Officer.

### DETAILS OF SHAREHOLDERS'/INVESTORS' COMPLAINTS RECEIVED AND ATTENDED

Number of Shareholders'/Investors' Complaints received during the period April 01, 2020 to March 31, 2021	Nil
Number of Complaints attended/resolved	Nil
Number of Complaints not resolved to the satisfaction of shareholders	Nil
Number of pending complaints as on March 31, 2021	Nil

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

### COMPOSITION

The constitution of the Corporate Social Responsibility (CSR) Committee is as under:-

Name of the Members	Designation	Designation in the Company
Sh. Santosh Kumar Bishwal	Chairman	Independent Director
Sh. Vivek Gupta	Member	Independent Director
Sh. ShekharSwarup	Member	Joint Managing Director
Dr. Bhaskar Roy	Member	Executive Director

Terms of reference of the CSR Committee are:

1. Formulate and recommend to the Board, a CSR policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. Recommend the amount to be spent on these activities;
3. Monitor the Company's CSR policy periodically; and
4. Institution of transparent monitoring mechanism for the implementation of CSR projects.

The Company has adopted a policy on Corporate Social Responsibility as required under section 135 of The

Companies Act, 2013 which is also available at the website of the Company ([www.globusspirits.com](http://www.globusspirits.com)). During the year, 4 (Four) CSR Committee meetings were held on June 16, 2020, August 24, 2020, November 09, 2020 and February 08, 2021.

## 7. RISK MANAGEMENT COMMITTEE:

### COMPOSITION

The constitution of the Risk Management Committee is as under:-

Name of the Members	Designation	Designation in the Company
Sh. Santosh Kumar Bishwal	Chairman	Independent Director
Sh. Vivek Gupta	Member	Independent Director
Sh. Shekhar Swarup	Member	Joint Managing Director
Dr. Bhaskar Roy	Member	Executive Director

Terms of reference of the Risk Management Committee are:

1. Framing, implementing and monitoring the risk management plan for the Company;
2. Laying down procedures to inform Board members about the risk assessment and minimization procedures;
3. Monitoring and reviewing of the risk management plan from time to time; and
4. Activities as may be required to be done under the Companies Act 2013.

## 8. SUBSIDIARY COMPANY:

Your Company has one subsidiary M/s Unibev Limited (formerly known as M/s Uber Blenders & Distillers Limited).

## 9. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings:

Date of Meeting	Location of the Meeting	Time	Whether any Special Resolution Passed in previous three AGM
28.09.2020	Registered office :- F-0, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi-110065	01:00 P.M.	Yes
03.09.2019	Auditorium of India Islaimc Centre, Institutional Area, Lodhi Road, New Delhi-110003	11:15 A.M.	Yes
25.09.2018	Auditorium of IETE, 2, Institutional Area, Lodhi Road, New Delhi-110003	11:15 A.M.	Yes

## Details of Special Resolutions passed through Postal Ballots during the financial year 2020-21:

Nil

### 10. DISCLOSURES Made By the Management to the Board

#### i) Related Party Transactions

There have been related party transactions as reflected in Note 45 to the consolidated financial statements but none of them are not in conflict with the interest of the Company. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said policy is also available on the website of the Company ([www.globusspirits.com](http://www.globusspirits.com)).

#### ii) Details on Non-Compliance

The equity shares of the Company are listed on BSE as well as on NSE and the Company has complied with all the applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

#### iii) Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower Policy as required under the Companies Act, 2013. ). The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees. It provides protection to those employees who wish to raise a concern about serious irregularities, unethical behavior and/or actual or suspected fraud within the Company. The mechanism under the Policy has been appropriately communicated within the organization and the Company has not denied access to any personnel, to approach the management/Audit Committee on any issue.

#### iv) CEO/CFO Certification

The Managing Director, Sh. Ajay Kumar Swarup and CFO Dr. Bhaskar Roy have certified to the Board of Directors, *inter alia*, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended March 31, 2021.

#### v) Compliance with Mandatory Requirements

The Company has submitted to stock exchange on quarterly basis the compliance status of all the Mandatory Requirements pursuant to Part C of Schedule V of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### vi) Policy for determining material subsidiaries

The Company has duly posted the policies with respect to determining material subsidiaries at its website ([www.globusspirits.com](http://www.globusspirits.com)).

#### vii) Consolidated fees paid to statutory auditor

Total fees for all services paid by the Company and

its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity for FY 2020-21 of which it is a part is as reflected in Note 37 to the consolidated financial statements.

With respect to disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year- Nil
- number of complaints disposed of during the financial year- Nil
- number of complaints pending as on end of the financial year- Nil

### 11. MEANS OF COMMUNICATION

The Company's financial results are communicated forthwith to both the Stock Exchanges with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are normally published in The Financial Express and Regional newspapers. The Financial Results, Press Releases and Presentations made to institutional investors are also available under Investors section on the Company's website ([www.globusspirits.com](http://www.globusspirits.com)).

Designated Exclusive e-mail ID: The Company has designated the following e-mail ID exclusively for investor grievance redressal:-

corporateffice@globusgroup.in; santoshp@globusgroup.in; ir@globusgroup.in

### 12. GENERAL SHAREHOLDERS INFORMATION

#### a) Annual General Meeting:

Date & Time : Friday, 24th September 2021 at 03.00PM through Audio Visual conference mode.

Venue : At the Registered office of the company at F-0, Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi

b) Financial Year : April 01, 2020 to March 31, 2021

c) Book Closure : From 18th September 2021 to 24th September 2021 (both days inclusive)

d) Dividend : 20% dividend is proposed on paid up equity share capital of the company.

e) Listing on Stock Exchanges: w.e.f. September 23, 2009

The Equity Shares of the Company are listed at the following Stock Exchanges:

i) Bombay Stock Exchange Limited, 25<sup>th</sup> Floor, PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400 001.

ii) National Stock Exchange of India Limited, 'Exchange Plaza', Bandra - Kurla Complex, Bandra (East), Mumbai- 400 051.

f) Stock Code:

BSE 533104  
 NSE GLOBUSSPR  
 NSDL/ CDSL – ISIN INE615I01010

g) Stock Market Price Data for the year 2020-21

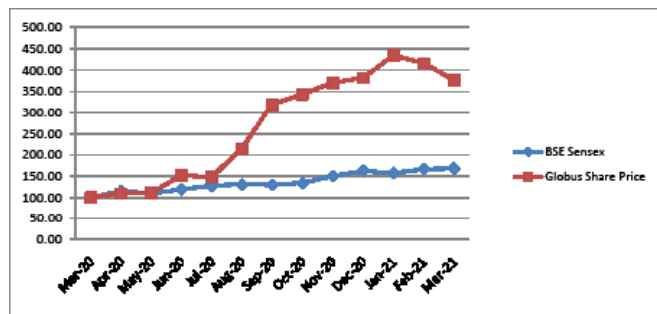
Month	BSE PRICE		NSE PRICE	
	High	Low	High	Low
Apr-20	103.50	84.35	100.90	85.10
May-20	101.85	90.50	101.95	90.15
Jun-20	141.00	92.00	138.00	92.10
Jul-20	148.00	118.30	145.65	118.40
Aug-20	195.85	119.20	196.10	121.60
Sep-20	300.55	172.30	300.00	172.50
Oct-20	354.40	270.50	355.00	269.40
Nov-20	345.00	275.00	345.05	278.05
Dec-20	354.00	275.05	350.00	275.00
Jan-21	411.30	313.20	412.95	313.40
Feb-21	422.50	350.00	422.25	350.05
Mar-21	356.15	290.95	356.00	293.85

(Source: www.bseindia.com and www.nseindia.com)

The Company had paid Annual Listing Fees for the Financial Year 2020-21.

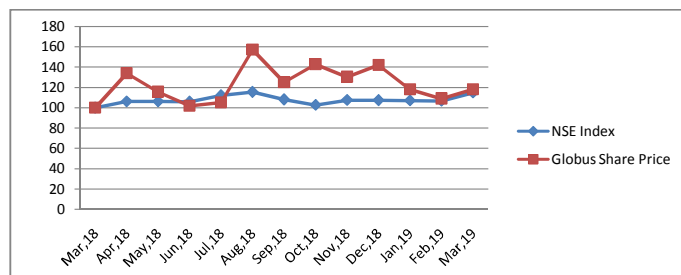
### Performance in comparison with Indices (BSE/NSE) Base is 100 as at March 31, 2020

#### BSE



(Source: www.bseindia.com)

#### NSE



(Source: www.nseindia.com)

### Distribution of Equity shareholding as on March 31, 2021

No of Equity Shares Held	No. of Share-holders	% of Share-holders	No. of Shares Held	% Share-holding
Up to 500	22,486	92.48	1867907	6.48
501 to 1000	987	4.05	776530	2.69
1001 to 2000	406	1.67	600206	2.08
2001 to 3000	145	0.60	361835	1.25
3001 to 4000	71	0.29	251482	0.87
4001 to 5000	43	0.17	202938	0.70
5001 to 10000	83	0.34	605315	2.10
10001 & above	92	0.38	24133055	83.79
<b>Grand Total</b>	<b>24313</b>	<b>100.00</b>	<b>2,87,99,268</b>	<b>100.00</b>

### Registrar and Share Transfer Agents (STA):

Link Intime India Pvt. Ltd.  
 Noble Heights, 1<sup>st</sup> Floor, Plot No. N.H-2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058

### Share Transfer System:

Company's shares are transferable both in Demat and Physical mode. The transfers of shares in case of dematerialization form are being conducted through Depository Participant (DP). For the transfer of physical shares Company's Registrar at above mentioned address is to be contacted. Further Share transfer requests received in physical form are registered within 21 days from the date of receipt and demat requests are normally confirmed within the prescribed time from the date of receipt.

### Investor correspondence address

Shareholders correspondence should be addressed to the Registrars and Transfer Agents at the address given here above.

Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participants.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

### Shareholding Pattern as on March 31, 2021:

Category	No. Of Share Held	% Of Holding
<b>Equity:</b>		
<b>A. Promoter &amp; Promoter Group</b>		
1. India	1,60,93,363	55.88
2. Foreign	-	-
<b>Total (A)</b>	<b>1,60,93,363</b>	<b>55.88</b>
<b>B. Public</b>		
1. Institutions	3,11,660	1.08
2. Non-Institutions	1,23,94,245	43.04
<b>Total (B)</b>	<b>12,705,905</b>	<b>44.12</b>
<b>Grand Total (A+B)</b>	<b>28,799,268</b>	<b>100</b>

### **Dematerialization of Shares and Liquidity**

The Company's shares are compulsorily traded in dematerialized form. As on March 31, 2021, 99.993% (28,797,319 shares out of total 28,799,268 equity shares) shares were held in dematerialized form.

### **Credit Rating**

The Company has been rated by CARE A- Stable (single A Stable : Outlook Stable) for its various working capital and term loan credit facilities availed by the company from various bankers.

### **Outstanding GDR/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:**

There is no outstanding GDR/Warrants and Convertible Bonds etc.

Address for Correspondence :

- 1) Registered office Address : M/s Globus Spirits Limited, F-0, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi-110065, E-mail : corporateoffice@globusgroup.in
- 2) Address of Registrar and Share Transfer Agent : M/s Link Intime India Pvt. Ltd., Noble Heights, 1<sup>st</sup> Floor, Plot No. NH-2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058

### **Commodity price risk or foreign exchange risk and hedging activities**

During the year 2020-21, the Company had managed the foreign exchange risk and entered into forward contracts to the extent considered necessary for minimizing the risk of foreign exchange fluctuations. The details of foreign currency exposure are disclosed in Note No. 41 of the consolidated financial statements.

- Plant Locations** :
- 1) Vill: Shyampur, Tehsil: Behror, Dist: Alwar, Rajasthan
  - 2) 4K.M., Chulkana Road, Vill: Samalkha, Dist: Panipat, Haryana
  - 3) National Highway, Hisar Bye-pass, Hisar, Haryana
  - 4) Vill: Duduha, Tehsil :Jandaha, Dist: Vaishali, Bihar
  - 5) Plot B-7, Panagarh Industrial Area, Panagarh, Dist: Burdwan, West Bengal

### **DISCRETIONARY REQUIREMENTS**

#### **(1) CHAIRMAN OF THE BOARD**

The Board of Directors of the Company has a Chairman who is a Non-Executive & Independent Director.

#### **(2) SHAREHOLDERS' RIGHTS**

As the Company's quarterly results are published in leading English newspapers having circulation all over India and in a Hindi newspaper widely circulated in the region, the same are not sent to each household of shareholders.

#### **(3) MODIFIED OPINIONS IN AUDIT REPORT**

There is no qualification contained in Audit Report.

#### **(4) SEPARATE POST OF CHAIRMAN AND MANAGING DIRECTOR**

The Company has separately appointed Chairman and Managing Director.

#### **(5) REPORTING OF INTERNAL AUDITOR**

The Internal Auditors reports directly to the Audit Committee.

### **REQUEST TO SHAREHOLDERS**

#### **Demat of Shares:**

Shareholders are requested to convert their physical holding to demat/ electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.

#### **Consolidation of Multiple Folios:**

Shareholders, who have multiple folios in identical names and order are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

#### **Registration of Nominations:**

Section 72 of the Companies Act, 2013 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the will, etc. It would therefore be in the best interest of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed nomination facility, are requested to avail the same by submitting the nomination form to the Company or STA. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

#### **Updation of address:**

Shareholders are requested to update their addresses registered with the Company, directly through the STA, to receive all communications promptly. Shareholders, holding shares in electronic form, are requested to deal only with their DPs in respect of change of address, furnishing bank account number, etc.

### **GREEN INITIATIVE IN CORPORATE GOVERNANCE**

In compliance with the provisions of section 20 of the companies act, 2013, permits circulation of Annual Report through electronic means to such of the members whose e-mail addresses are registered with NSDL or CDSL or with the Company to receive the documents in electronic form and physical copies to those shareholders whose e-mail addresses have not been either registered with the Company or with the DPs. To support this green initiative of the Government, members are requested to register their e-mail addresses and also intimate changes, if any, with the DPs, in case shares are held in dematerialized form and with the STA, in case the shares are held in physical form.

## Compliance

The Certificate dated 8<sup>th</sup> August 2021 obtained from our statutory auditors DELOITTE HASKINS & SELLS, Gurgaon forms part of this Annual Report.

# Auditor's Certificate on Corporate Governance

**TO  
THE MEMBERS OF GLOBUS SPIRITS LIMITED**

## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter dated July 15, 2020.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of Globus Spirits Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 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), 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 (as amended) during the year ended March 31, 2021.
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.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal  
(Partner)  
(Membership No. 105446)

**UDIN: 21105546AAAAFB7020**

Place : New Delhi  
Date : August 08, 2021



# CEO and CFO Certification

**In terms of Regulation 17(8) of the SEBI (LODR) Regulation, 2015, we, Bhaskar Roy, CFO and Ajay K. Swarup, Managing Director hereby certify that :**

- A. We have reviewed financial statements for the period ending 31st March 2021 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity'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 listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting. **(No Instance of any kind of fraud has been detected)**

Place : New Delhi  
Date : 14/06/2021

**(Bhaskar Roy)**  
CFO

**(Ajay K. Swarup)**  
Managing Director

# Business Responsibility Report

Environment, Society and Governance are very vital for us. Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we provide below our Business Responsibility Report describing the initiatives taken by the Company ("Globus Spirits Limited") from an environmental, social and governance perspective during the financial year ended March 31, 2021.

On each of the nine Principles governing this Business Responsibility Report, Globus Spirits Limited has been at the frontline to follow the same in letter and spirit. Our initiatives in this regard for each of the principles are highlighted below in the prescribed format.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company - L74899DL1993PLC052177
2. Name of the Company - GLOBUS SPIRITS LIMITED
3. Registered address - F-0, Ground Floor, The Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi 110065
4. Website - www.globusspirits.com
5. E-mail id - corporateoffice@globusgroup.in
6. Financial Year reported - April 01, 2020 to March 31, 2021
7. Sector(s) that the Company is engaged in (industrial activity code-wise) - Manufacturing and marketing of alcohol and alcoholic beverages (NIC Code -2208)
8. List three key products/services that the Company manufactures/provides (as in balance sheet)- Indian Made Indian Liquor, Indian Made Foreign Liquor, Bulk Alcohol
9. Total number of locations where business activity is undertaken by the Company
  - (a) Number of International Locations (Provide details of major 5) - Nil
  - (b) Number of National Locations - 5
10. Markets served by the Company - The Company's products are marketed in the states of Haryana, Rajasthan, Delhi, West Bengal and Bihar

## SECTION B: FINANCIAL DETAILS OF THE COMPANY (as per consolidated financials for the year ended March 31, 2021)

1. Paid up Capital (INR) .2,879.93 Lakhs
2. Total Turnover (INR) - 1,67,869.01 Lakhs

3. Total profit after taxes (INR) - 14,081.98 Lakhs.
4. Total Spending on Corporate Social Responsibility (CSR) - INR 86,79,000.
5. List of activities in which expenditure in 4 above has been incurred:
  - i) Engaged in eradicating environment pollution.
  - ii) Providing basic facilities and amenities in schools.
  - iii) Providing Street Light facilities near the villages surrounding to our West Bengal unit.
  - iv) Conducting Training and skill development programme.

## SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?
 

Yes. The Company has one (1) subsidiary company, namely, M/s Unibev Limited (formerly known as M/s Uber Blenders & Distillers Limited) (Indian subsidiary).
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)?
 

No
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
 

No

## SECTION D: BR INFORMATION

### 1. Details of Director / Directors responsible for BR:

- a. Details of the Director / Director responsible for implementation of the BR policy / policies as on March 31, 2021.

Sl. No.	Name of Director	DIN	Designation
1	Mr. Ajay Kumar Swarup	00035194	Managing Director
2	Mr. Shekhar Swarup	00445241	Joint Managing Director
3	Mr. Manik Lal Dutta	00769308	Executive Director
4	Dr. Bhaskar Roy	02805627	Executive Director
5	Mr. Vivek Gupta	00035916	Non-Executive Independent Director
6	Mr. Santosh Kumar Bishwal	01098021	Non-Executive Independent Director

7	Mr. Kunal Agarwal	02416218	Non-Executive Independent Director
8	Mr. Sunil Chadha	00401305	Non-Executive Independent Director
9	Ms. Ruchika Bansal	0650542	Non-Executive Independent Director

**b. Details of the BR head:**

Overall review of BR is with the Board of Directors and the implementation with the Management.

**2. Principle-wise (as per NVGs) BR Policy/Policies\***

**a. Details of compliance (Reply in Y/N)**

No.	Questions	P1
1	Do you have a policy / policies for Code of Business Conduct and Ethics	<b>Yes</b>
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company and is approved by the Board of Directors. The policies have been framed considering the best interest of the stakeholders.
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Yes, the policies are based on 'National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business'
4	Has the policy been approved by the Board? Is yes, has it been signed MD / owner / CEO / appropriate Board Director?	Yes, the Policies have been approved by the Board of Directors and signed by the Managing Director on behalf of the Board of Directors of the Company
5	Does the Company have a specified committee of Board/ Director / Official oversee the implementation of the policy?	Yes. The specified officials does monitor the implementation of policy.
6	Indicate the link for the policy to be viewed online?	<a href="http://www.globusspirits.com">www.globusspirits.com</a>
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, the policies have been posted on the Company's website and communicated to all internal stakeholders.
8	Does the Company have in house structure to implement the policy / policies?	The Company intends to do the same in due course.

**3. Governance related to BR**

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Annually.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Published annually as part of the Annual Report.

**Principle 1: Company's efforts in the area of Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group /Joint Ventures / Suppliers / Contractors / NGOs / Others?

The company and its employees and directors follow Code of Conduct and Ethics.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

All the Internal Grievances received and solved.

**Principle 2: Company's efforts to provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

All our products and processes are environment friendly, and our plants are equipped for zero pollution discharge.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

All our plants generate more than 3MW power from the wastes of the company.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The company is in the process of implementing the same.

4. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of product and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

All our plants generate more than 3MW power from the wastes of the company.

**Principle 3: Company's efforts to promote the wellbeing of all employees**

- a. Please indicate the total number of employees  
We have 568 employees including Executive, permanent workmen and staff.
- b. Please indicate the total number of employees hired on temporary/contractual/casual basis.  
We have also hired contract or temporary employees and retainers/consultants.
- c. Please indicate the number of permanent women employees.  
Nil
- d. Please indicate the Number of permanent employees with disabilities.  
3
- e. Do you have an employee association that is recognized by management?  
No
- f. What percentage of your permanent employees/is members of this recognized employee association?  
NA.
- g. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. no.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour, forced labour, involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

- h. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?  
As and when it is required, the training has been given.

**Principle 4: Company's efforts to respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

The company is in the process of implementing the same.

**Principle 5: Company's efforts to promote human rights**

- 1. Does the policy of the company on human rights cover

only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Code of Business Conduct & Ethics (CoBCE) is the key policy governing the compliance and ethics framework of the Company and extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs. Globus Spirits subsidiary, UNIBEV, is also covered by CoBCE.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year, there were no cases reported concerning human rights.

**Principle 6: Company's efforts towards environment protection**

- 1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The company will adopt the policy very soon.

- 2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

The company will frame the policy for such purpose very soon.

- 3. Does the Company identify and assess potential environmental risks? Y/N. If yes, does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Your Company is committed to Carbon footprint reduction. Globus Spirits has reduced carbon emission with respect to 2007 baseline through implementation of multiple projects to meet demand of operation through in-house power generation. Your Company developed a strategy to increase Steam Turbine Power generation in factories.

- 4. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

The company is using bio-mass based fuel and for this purpose the company is getting various subsidy from MNRE.

- 5. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The company adopt the practice of zero pollution label discharge.

- 6. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are no Pending notices which are not responded properly and not resolved to satisfaction as at the end of the financial year.

**Principle 7: Company's efforts to responsibly engage while influencing public and regulatory policy**

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:

The company is a member of PHD chamber of commerce and All India distillery Association.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

As and when on requirement basis.

**Principle 8: Company's efforts to support inclusive growth and equitable development**

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof:

The company is taking steps to implement the same.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The company is taking steps to implement the same.

3. Have you done any impact assessment of your initiative?

The company is taking steps to implement the same.

4. What is your Company's direct contribution to community development projects?

The company will contribute very soon.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

N.A.

**Principle 9: Company's efforts to engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

In this financial year, there were no consumer complaints registered against the Company with the respective Forums.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. / Remarks (additional information)?

Yes. Generally, we have front and back label for few brands, and few have a single label.

**For Back Label – We print following mandatory details**

1. Branding
2. MRP
3. Manufacturing unit address
4. Reg. office address
5. FSSAI License number
6. Customer care phone number and Mail ID
7. Ingredients
8. Quantity and strength declarations
9. Batch number and date of manufacturing
10. Bar code
11. Excise mandates as per state excise regulation
12. Country of Origin

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Nil.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

No.

# Independent Auditor's Report

## Report on the Consolidated Financial Statements

### TO THE MEMBERS OF GLOBUS SPIRITS LIMITED Report on the Audit of the Consolidated financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Globus Spirits Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 of the current period. We have determined that there are no key audit matters to communicate in our report.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report and annexures to the Board Report including Management's Discussion and Analysis, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our

knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

#### Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's 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 consolidated 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 consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 the 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 ability of the Group. 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 consolidated 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.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Company none of the directors of the Group companies is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting for the reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 17 and Note 33 to the consolidated financial statements.
  - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts. Refer Note 41 (c) to the consolidated financial statements.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and there were no amounts which were to be transferred to the Investor Education and Protection Fund by its subsidiary company incorporated in India. Refer Note 33 to the consolidated financial statements.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
**(UDIN: 21105546AAAADJ5985)**

Place: New Delhi  
Date: June 14, 2021

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

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Globus Spirits Limited (hereinafter referred to as "the Parent") and its subsidiary company as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 (ICAI). 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 the respective 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 internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal

financial controls system over financial reporting of the Parent and, its subsidiary company, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us, the Parent and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective companies 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 **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
**(UDIN: 21105546AAAADJ5985)**

Place: New Delhi  
Date: June 14, 2021



# Consolidated Balance Sheet

as at March 31, 2021

(₹ in Lacs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
<b>1 Non - current assets</b>			
(a) Property, plant and equipment	2(a)	55,602.16	55,417.27
(b) Right to use of assets	3	2,211.43	1,474.49
(c) Intangible assets	4	40.86	-
(d) Capital work-in-progress	2(b)	4,831.04	2,893.52
(e) Intangible assets under development	5	-	61.29
(f) Financial assets			
(i) Investments	6	0.30	0.30
(ii) Loans	7 (a)	638.02	778.68
(iii) Other financial assets	8 (a)	1,119.85	1,053.94
(g) Income tax assets (net)	9	2.95	2.95
(h) Other non current assets	10 (a)	4,378.63	610.50
<b>Total non-current assets</b>		<b>68,825.24</b>	<b>62,292.94</b>
<b>2 Current assets</b>			
(a) Inventories	11	10,214.74	10,628.13
(b) Financial assets			
(i) Trade receivables	12	8,790.90	3,381.50
(ii) Cash and cash equivalents	13 (a)	5,812.66	1,998.46
(iii) Bank balances other than (ii) above	13 (b)	-	0.66
(iv) Loans	7 (b)	177.83	104.78
(v) Other financial assets	8 (b)	320.82	178.30
(c) Other current assets	10 (b)	5,059.47	1,344.61
<b>Total current assets</b>		<b>30,376.42</b>	<b>17,636.44</b>
<b>TOTAL ASSETS</b>		<b>99,201.66</b>	<b>79,929.38</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	14	2,879.93	2,879.93
(b) Other equity	SOCE	55,652.35	41,850.17
<b>Equity attributable to the owners of the Company</b>		<b>58,532.28</b>	<b>44,730.10</b>
(C) Non-controlling interest	SOCE	(91.93)	(90.18)
<b>Total equity</b>		<b>58,440.35</b>	<b>44,639.92</b>
<b>2 Liabilities</b>			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	15 (a)	10,670.60	13,279.61
(ii) Lease liability	16 (a)	565.97	143.96
(b) Provisions	17 (a)	300.82	278.02
(c) Deferred tax liabilities (net)	18	5,247.55	2,826.34
(d) Other non current liabilities	19 (a)	204.00	226.52
<b>Total non-current liabilities</b>		<b>16,988.94</b>	<b>16,754.45</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15(b)	2,728.33	447.58
(ii) Trade payables	20		
-Total Outstanding dues of Micro Enterprises and Small Enterprises		131.85	43.01
-Total Outstanding dues to creditors other than Micro Enterprises and Small Enterprises		11,742.52	10,805.89
(iii) Other financial liabilities	21	4,711.61	4,519.06
(iv) Lease liability	16 (b)	252.27	145.27
(b) Other current liabilities	19 (b)	3,215.02	1,969.59
(c) Current tax liabilities (net)	22	313.70	68.70
(d) Provisions	17 (b)	677.07	535.91
<b>Total current liabilities</b>		<b>23,772.37</b>	<b>18,535.01</b>
<b>Total liabilities</b>		<b>40,761.31</b>	<b>35,289.46</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>99,201.66</b>	<b>79,929.38</b>

See accompanying notes to the consolidated financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

Place : New Delhi  
Date : June 14, 2021

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Place : New Delhi  
Date : June 14, 2021

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations	23	167,212.83	126,743.10
II Other income	24	656.18	373.67
<b>III Total income (I + II)</b>		<b>167,869.01</b>	<b>127,116.77</b>
<b>IV Expenses:</b>			
(a) Cost of materials consumed	25	64,493.81	74,291.90
(b) Changes in inventories of finished goods	26	822.45	(2,534.07)
(c) Excise duty on sale of goods	27	44,136.22	9,861.45
(d) Employee benefits expense	28	3,842.40	3,428.06
(e) Finance costs	29	1,882.83	2,355.39
(f) Depreciation and amortisation expenses	30	4,065.67	3,802.04
(g) Other expenses	31	28,448.34	29,221.80
<b>Total expenses (IV)</b>		<b>147,691.72</b>	<b>120,426.57</b>
<b>V Profit before tax (III-IV)</b>		<b>20,177.29</b>	<b>6,690.20</b>
<b>VI Tax expense:</b>			
(a) Current tax	32 (a)	3,677.64	1,273.02
(b) Deferred tax	32 (b)	2,417.67	435.00
(c) Tax relating to previous year	32 (c)	-	12.06
		<b>6,095.31</b>	<b>1,720.08</b>
<b>VII Profit for the year (V - VI)</b>		<b>14,081.98</b>	<b>4,970.12</b>
<b>VIII Other comprehensive income (OCI)</b>			
(i) Items that will not be reclassified to profit or loss	32 (d)	9.89	(67.62)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	32 (d)	(3.45)	23.63
<b>Other comprehensive income</b>		<b>6.44</b>	<b>(43.99)</b>
<b>IX Total comprehensive income for the year (VII + VIII)</b>		<b>14,088.42</b>	<b>4,926.13</b>
<b>Profit for the year attributable to:</b>			
-Owners of the Company		<b>14,083.73</b>	<b>4,989.92</b>
-non-controlling interest		<b>(1.75)</b>	<b>(19.80)</b>
		<b>14,081.98</b>	<b>4,970.12</b>
<b>Other comprehensive income for the year attributable to:</b>			
-Owners of the Company		<b>6.44</b>	<b>(43.99)</b>
-Non-controlling interest		-	-
		<b>6.44</b>	<b>(43.99)</b>
<b>Total comprehensive income for the year attributable to:</b>			
-Owners of the Company		<b>14,090.17</b>	<b>4,945.93</b>
-Non-controlling interest		<b>(1.75)</b>	<b>(19.80)</b>
		<b>14,088.42</b>	<b>4,926.13</b>
<b>X Earnings per share (of ₹ 10 each):</b>	36		
Basic		<b>48.90</b>	<b>17.33</b>
Diluted (in ₹)		<b>48.90</b>	<b>17.33</b>

See accompanying notes to the standalone financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

Place : New Delhi  
Date : June 14, 2021

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Place : New Delhi  
Date : June 14, 2021

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

# Consolidated Statement of Cash Flow

## for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
<b>A. Cash flow from operating activities</b>				
Profit for the year		<b>14,081.98</b>		<b>4,970.12</b>
Adjustments for :				
Income tax expense recognised in profit and loss	6,097.01		1,720.08	
Depreciation expense	4,065.68		3,802.04	
Impairment loss	-		7.10	
Provision for loss in investments	51.15		-	
Loss on disposal of property, plant and equipments	-		0.22	
Finance cost	1,882.83		2,355.39	
Interest income	(334.46)		(155.38)	
Liabilities written back	(3.79)		(83.06)	
Foreign exchange (gain)/loss	(28.80)		(15.76)	
Credit impaired trade and other receivables, loans and advances written off/(back)	0.46		15.13	
Loss allowance on slow/non-moving inventories	88.36		-	
Loss allowance on credit impaired trade receivables and advances	27.01		200.39	
		<b>11,845.44</b>		<b>7,846.15</b>
<b>Operating profit before working capital changes</b>		<b>25,927.42</b>		<b>12,816.27</b>
Movement in working capital:				
(Increase)/decrease in inventories	326.36		(2,850.60)	
(Increase)/decrease in trade receivables	(5,438.21)		1,742.58	
(Increase)/decrease in other assets	(4,946.53)		327.50	
Increase/(decrease) in trade payables	1,029.25		1,284.13	
Increase/(decrease) in other liabilities and provisions	1,370.87		1,392.39	
		<b>(7,658.26)</b>		<b>1,896.00</b>
<b>Cash generated from operations</b>		<b>18,269.16</b>		<b>14,712.27</b>
Income taxes paid		(3,429.09)		(1,167.87)
<b>Net cash flow (used) / from operating activities (A)</b>		<b>14,840.07</b>		<b>13,544.40</b>
<b>B. Cash flow from investing activities</b>				
Payment for property, plant and equipment	(8,923.96)		(3,903.29)	
Proceeds from disposal of property, plant and equipments	-		-	
Payment to acquire financial assets	-		-	
Interest received	337.25		229.85	
Movement in bank balances not considered as cash and cash equivalents	(111.38)		6.86	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(8,698.09)</b>		<b>(3,666.58)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from borrowings	12,363.60		8,099.67	
Repayment of borrowings	(15,264.16)		(13,441.57)	
Movement in working capital utilization	2,280.75		-	
Repayment of lease liability	(282.41)		-	
Interest and other borrowing cost paid	(1,948.99)		(2,553.26)	
Dividend Paid	(287.99)		-	
Proceeds from Issue of share capital	-		(144.33)	
Others- Lease	811.43		-	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(2,327.78)</b>		<b>(8,039.50)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>3,814.20</b>		<b>1,838.34</b>
Cash and cash equivalents at the beginning of the year		1,998.46		160.12
<b>Cash and cash equivalents at the end of the year</b>		<b>5,812.66</b>		<b>1,998.46</b>
<b>Reconciliation of cash and cash equivalents:</b>				
Cash on hand		4.18		7.83
Balances with banks				
(i) In current accounts		181.48		694.63
(ii) Bank deposits		5,627.00		1,296.00
<b>Net cash and cash equivalents</b>		<b>5,812.66</b>		<b>1,998.46</b>

Note: Bank deposits held as margin money for bank guarantees and others is included in cash flow from investing activity

See accompanying notes to the consolidated financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

Place : New Delhi  
Date : June 14, 2021

Place : New Delhi  
Date : June 14, 2021

# Consolidated Statement of Changes in Equity

## for the year ended March 31, 2021

### a. Equity share capital

Particulars	(₹ in Lacs)	
	Amount	
<b>Balance as at March 31, 2019</b>	<b>2,879.93</b>	
Changes in equity share capital during the year (refer note 14)	-	
<b>Balance as at March 31, 2020</b>	<b>2,879.93</b>	
Changes in equity share capital during the year (refer note 14)	-	
<b>Balance as at March 31, 2021</b>	<b>2,879.93</b>	

### b. Other equity

Particulars	Reserves and surplus			Attributable to owners of equity	Non controlling interests	Total
	Securities premium account	General reserve	Surplus in Statement of Profit and Loss			
<b>Balance as at March 31, 2019</b>	14,894.92	1,415.65	20,525.92	36,908.28	(71.80)	<b>36,836.49</b>
1. Profit for the year	-	-	4,970.12	4,989.92	(19.80)	<b>4,970.12</b>
2. Other comprehensive loss for the year, net of income tax	-	-	(43.99)	(43.99)	-	<b>(43.99)</b>
3. Share issue expenses	(4.05)	-	-	(4.05)	-	<b>(4.05)</b>
4. New share allotment to minorities	-	-	-	-	1.42	
<b>Total comprehensive income for the year</b>	<b>(4.05)</b>	<b>-</b>	<b>4,926.13</b>	<b>4,941.88</b>	<b>(18.38)</b>	<b>4,922.08</b>
<b>Balance as at March 31, 2020</b>	<b>14,890.87</b>	<b>1,415.65</b>	<b>25,452.05</b>	<b>41,850.17</b>	<b>(90.18)</b>	<b>41,758.57</b>
1. Profit for the year	-	-	14,081.98	14,083.73	(1.75)	<b>14,081.98</b>
2. Dividend Paid	-	-	(287.99)	(287.99)	-	<b>(287.99)</b>
3. Other comprehensive income for the year, net of income tax	-	-	6.44	6.44	-	<b>6.44</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>13,800.43</b>	<b>13,802.18</b>	<b>(1.75)</b>	<b>13,800.43</b>
<b>Balance as at March 31, 2021</b>	<b>14,890.87</b>	<b>1,415.65</b>	<b>39,252.48</b>	<b>55,652.35</b>	<b>(91.93)</b>	<b>55,559.00</b>

See accompanying notes to the consolidated financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

Place : New Delhi  
Date : June 14, 2021

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Place : New Delhi  
Date : June 14, 2021

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

# Notes forming part of the consolidated financial statements for the year ended March 31, 2021

## Note 1 - General information and Significant Accounting Policies

### Note 1.1 - General information

Globus Spirits Limited (the Parent Company) and its subsidiaries (together referred as "the Group") is primarily engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Bulk Alcohol hand sanitizer and Franchise Bottling.

### Note 1.2 - Statement of compliance

These consolidated Ind AS financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under the Companies (Indian Accounting Standards) Rules, 2015.

### Note 1.3 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and subsidiary as below :

Name of the entity	Relationship	Country of incorporation	Shareholding as on March 31, 2021	Shareholding as on March 31, 2020
Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Limited)	Subsidiary	India	99.79%	97.94%

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Consolidation of a subsidiary begins when the Company obtains the control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

The financial statements of India Paryavaran Sahayak Foundation (IPSF), a company incorporated under section 8 of Companies Act, 2013 have not been considered for consolidation given the objective of investment in this company is not to obtain economic benefits from its activities.

Profit or loss and each component of the other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of the subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into in with the Company's accounting policies.

All intra Company assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Company are eliminated in full on consolidation.

### Note 1.4 - Significant Accounting Policies

#### I Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis,

except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

#### Use of estimates and critical accounting judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment and provision for employee benefits.

## II Revenue recognition

### Sale of goods

The Group derives revenue from manufacture and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Bulk alcohol and Franchise Bottling.

The Group has applied Ind AS 115 'Revenue from contracts with customers' with effect from 1 April 2018, using the retrospective method with restatement of comparative period. Upon application of Ind AS 115, Revenue is recognized upon transfer of control of promised goods to the customers. The point at which control passes is determined by each customer arrangement when there is no unfulfilled obligation that could affect the customer's acceptance of goods.

At contract inception, the group assesses its promise to transfer products or services to a customer to identify separate performance obligations. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices

Revenue is measured based on the transaction price i.e. the consideration to which the group expects to be entitled from a customer, net of returns and allowances, trade discounts and volume rebates. Revenue includes both fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends and past experience. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly. Revenue includes excise duty but excludes goods and services tax.

### Revenue from manufacture and sale of products from tie-up manufacturing arrangements

The subsidiary has entered into arrangements with tie-up manufacturers (TMU), where-in TMUs manufacture and sell on behalf of the Company. Accordingly, the transactions of the tie-up units under such arrangements have been recorded on gross basis as if they were transactions of the subsidiary.

### Critical judgements

Judgement is required to determine the transaction price for the contract

Transaction Price: The transaction price could either be a fixed amount of customer consideration or variable consideration with elements such as discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

### Rendering of services

Revenue from bottling contracts with brand franchise is recognised in the accounting period in which the services are rendered and related costs are incurred in accordance with the agreement between the parties.

### Other Operating income

Income from export incentives are recognised on an accrual basis.

### Other income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

## III Property, plant and equipment

- i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any.

All items of property, plant and equipment have been measured at fair value at the date of transition to Ind-AS. The Group has opted for such fair valuation as deemed cost as at the transition date i. e. April 01, 2016.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of 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 the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Government Grants related to purchase of property, plant & equipments are presented in the balance sheet as a deduction from the carrying amount of property, plant and equipment.

- ii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

- iii. Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## IV Intangible assets :

Intangible assets including those acquired by the Group are initially measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

### i. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

## ii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful economic lives using straight line basis, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Useful life
Software- ERP	3 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### Intangible assets under development

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group will be recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

## V A. Depreciation / amortisation

- i. Depreciation has been provided on the cost of the assets less their residual values on straight line method on the basis of estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets is as given below :

Asset	Useful Life
Buildings (including roads)	10-60 years
Plant and machinery	5-25 years
Furniture and fixtures	10 years
Computers and data processing units	3-6 years
Electrical installations and equipment	10 years
Vehicles	8 years
Office equipments	5 years

- ii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

## B. Impairment

### (i) Financial assets

The Group recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

### (ii) Non - financial assets

#### Tangible and intangible assets

Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost of disposal and the value-in-use) is determined on an individual asset basis to determine the extent of the impairment loss (if any). An impairment loss is recognised in the statement of profit or loss. The Group reviews at each reporting date if there is any indication that an asset may be impaired.

Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## VI Foreign currency transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. trade receivables) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

## VII Financial instruments

### Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

### Subsequent measurement

#### (i) Financial assets carried at amortised cost :

A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise to specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) Financial assets carried at fair value through other comprehensive income (FVTOCI):

A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

#### (iii) Financial assets carried at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories (i.e. amortised cost or through other comprehensive income) are subsequently measured at fair value through profit or loss.

#### (iv) Financial liabilities :

Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## VIII Inventories

Inventories are valued at the lower of cost (weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

## IX Employee benefits

The Group has various schemes of employee benefits such as provident fund, employee state insurance scheme and gratuity fund, which are dealt with as under:

- i. The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
- ii. For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.
- iii. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.
- iv. The Group use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling

The cost of short-term compensated absences is accounted when the absences occur.

## X Contingent assets/liabilities and provisions

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Group records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

Provisions are recognised when the Group has a present obligation (legal / constructive) as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

## XI Leases

### The Company as a lessee

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- i fixed payments (including in -substance fixed payments), less any lease incentives receivable.
- ii variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- iii amounts expected to be payable by the Company under residual value guarantees.
- iv the exercise price of a purchase option if the Company is reasonably certain to exercise that option and
- v Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

### To determine the incremental borrowing rate, the Company:

- i where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- ii uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- iii makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- i the amount of the initial measurement of lease liability
- ii any lease payments made at or before the commencement date less any lease incentives received
- iii any initial direct costs, and
- iv restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss account. Short term leases are the leases with a lease term of 12 months or less. Low-value assets comprise IT equipments and small items of office furniture.

#### **XII Earnings per share**

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares.

#### **XIII Income taxes**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e. in other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss i.e. in other comprehensive income. when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

#### **XIV Use of estimates and judgement**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the grouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

##### **(i) Useful lives and residual value of property, plant and equipment and intangible assets:**

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

##### **(ii) Deferred tax assets :**

The Group has reviewed the carrying amount of deferred tax assets including MAT credit entitlement at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

##### **(iii) Transaction Price - Sale of goods:**

The transaction price could either be a fixed amount of customer consideration or variable consideration with elements such as discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

##### **(iv) Defined benefit plans/ Other Long term employee benefits:**

The cost of the defined benefit plans and other long term employee benefit plans related to sick leaves and casual leaves are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

#### **XV Operating cycle**

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### **XVI Government grants, subsidies and export incentives**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Government grants related to purchase of property, plant and equipments are presented in the balance sheet as a deduction from the carrying amount of property, plant and equipments.

#### **XVII Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### **XVIII Derivative contracts**

The Group enters into derivative contracts in the nature of foreign currency forward contracts with an intention to manage its exposure to foreign currency rate risks. Further details of derivative financial instruments are disclosed in note 40.

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

#### **XIX 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 changes in value.

#### **XX Business Combination:**

Ind AS 103 - Business Combinations" Business combinations arising from transfers of interests in entities that are under the common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved as they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entities. The difference, if any, between the consideration and the amount of share capital of the acquired entities is treated as capital reserve. Transaction costs are expensed as they are incurred in respective periods.



Note 2(a) - Property, plant and equipment as at March 31, 2021

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Disposals / adjustment of assets	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>LAND</b>										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	<b>2,907.33</b>	-	-	<b>2,907.33</b>	-	-	-	-	<b>2,907.33</b>	<b>2,907.33</b>
<b>BUILDINGS</b>										
Factory buildings	10,268.77	149.05	-	10,417.82	1,379.04	365.43	-	1,744.47	8,673.35	8,889.73
	<b>10,268.77</b>	<b>149.05</b>	-	<b>10,417.82</b>	<b>1,379.04</b>	<b>365.43</b>	-	<b>1,744.47</b>	<b>8,673.35</b>	<b>8,889.73</b>
<b>PLANT AND EQUIPMENT</b>										
Plant and machinery	54,695.57	3,760.75	-	58,456.32	11,614.35	3,277.41	-	14,891.76	43,564.57	43,081.22
Electrical installations and equipment	357.98	-	-	357.98	112.97	35.85	-	148.82	209.16	245.01
Computer	63.10	14.51	-	77.61	43.90	11.36	-	55.27	22.35	19.20
	<b>55,116.65</b>	<b>3,775.27</b>	-	<b>58,891.91</b>	<b>11,771.22</b>	<b>3,324.62</b>	-	<b>15,095.84</b>	<b>43,796.08</b>	<b>43,345.43</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	167.78	26.16	-	193.94	82.14	21.79	-	103.93	90.01	85.63
	<b>167.78</b>	<b>26.16</b>	-	<b>193.94</b>	<b>82.14</b>	<b>21.79</b>	-	<b>103.93</b>	<b>90.01</b>	<b>85.63</b>
<b>VEHICLES</b>										
Owned	265.29	-	-	265.29	128.86	32.88	-	161.74	103.55	136.44
	<b>265.29</b>	-	-	<b>265.29</b>	<b>128.86</b>	<b>32.88</b>	-	<b>161.74</b>	<b>103.55</b>	<b>136.44</b>
<b>OFFICE EQUIPMENT</b>										
Office equipment	125.75	1.35	-	127.10	73.04	22.23	-	95.27	31.83	52.71
	<b>125.75</b>	<b>1.35</b>	-	<b>127.10</b>	<b>73.04</b>	<b>22.23</b>	-	<b>95.27</b>	<b>31.83</b>	<b>52.71</b>
<b>Total</b>	<b>68,851.57</b>	<b>3,951.82</b>	-	<b>72,803.40</b>	<b>13,434.29</b>	<b>3,766.96</b>	-	<b>17,201.25</b>	<b>55,602.16</b>	<b>55,417.28</b>

For lien / charge against property, plant and equipment refer note 15 (a) and 15 (b)

Note 2(b)- Capital work-in-progress

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Capital work-in-progress</b>	4,831.04	2,893.52
	<b>4,831.04</b>	<b>2,893.52</b>

Note 3 Right to use of Assets as at March 31, 2021

(₹ in Lacs)

Particulars	Carrying amount				Accumulated Amortisation				Net carrying amount	
	As at March 31, 2020	Additions	Disposals / adjustment of assets	As at March 31, 2021	As at March 31, 2020	Amortisation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Leasehold land <sup>i</sup>	1,006.47	291.54	-	1,298.01	10.72	13.67	-	24.39	1,273.62	995.75
Motor Vehicle <sup>ii</sup>	319.01	56.33	24.54	350.80	39.10	43.03	6.69	75.44	275.36	279.91
Other <sup>iii</sup>	315.14	784.33	91.69	1,007.78	116.31	229.03	-	345.34	662.44	198.83
	<b>1,640.62</b>	<b>1,132.20</b>	<b>116.23</b>	<b>2,656.59</b>	<b>166.13</b>	<b>285.72</b>	<b>6.69</b>	<b>445.16</b>	<b>2,211.43</b>	<b>1,474.49</b>

(i) Advance towards leasehold land of ₹ 1,006.47 Lacs as on April 01, 2019 was reclassified as Right of use in FY 19-20 Lacs. (refer note 1.4 (XI) & note 38)

(ii) Motor Vehicles taken under finance lease WDV of ₹ 180.56 Lacs as on April 01, 2019 was reclassified as Right of use in FY 19-20 Lacs. (refer note 1.4 (XI) & note 38)

(iii) Prepaid portion of security deposit and Building on lease reclassified as Right of use (refer note 1.4 (XI) & note 38)

Right to use of Assets as at March 31, 2020

(₹ in Lacs)

Particulars	Carrying amount				Accumulated Amortisation				Net carrying amount	
	As at April 1, 2019	Additions	Disposals / adjustment of assets	As at March 31, 2020	As at April 1, 2019	Amortisation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2020	As at March 31, 2020	As at April 1, 2019
Leasehold land <sup>i</sup>	1,006.47	-	-	1,006.47	-	10.72	-	10.72	995.75	-
Motor Vehicle <sup>ii</sup>	180.56	138.45	-	319.01	-	39.10	-	39.10	279.91	-
Other <sup>iii</sup>	261.65	53.49	-	315.14	-	116.31	-	116.31	198.83	-
	<b>1,448.68</b>	<b>191.94</b>	-	<b>1,640.62</b>	-	<b>166.13</b>	-	<b>166.13</b>	<b>1,474.49</b>	-

(i) Advance towards leasehold land of ₹ 1,006.47 Lacs as on April 01, 2019 was reclassified as Right of use in FY 19-20 Lacs. (refer note 1.4 (XI) & note 38)

(ii) Motor Vehicles taken under finance lease WDV of ₹ 180.56 Lacs as on April 01, 2019 was reclassified as Right of use in FY 19-20 Lacs. (refer note 1.4 (XI) & note 38)

(iii) Prepaid portion of security deposit and Building on lease reclassified as Right of use (refer note 1.4 (XI) & note 38)

**Note 4 - Intangible Assets**

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Disposals / adjustment of assets	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Software - ERP	-	61.29	-	61.29	-	20.43	-	20.43	40.86	-
	-	<b>61.29</b>	-	<b>61.29</b>	-	<b>20.43</b>	-	<b>20.43</b>	<b>40.86</b>	-

**Note 5 - Intangible Assets under development**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Intangible assets under development	-	61.29
	-	<b>61.29</b>

**Property, plant and equipment as at March 31, 2020**

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2019	Additions	Disposals / adjustment of assets	As at March 31, 2020	As at March 31, 2019	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>LAND</b>										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	<b>2,907.33</b>	-	-	<b>2,907.33</b>	-	-	-	-	<b>2,907.33</b>	<b>2,907.33</b>
<b>BUILDINGS</b>										
Factory buildings	10,018.44	250.33	-	10,268.77	995.23	383.81	-	1,379.04	8,889.73	9,023.21
	<b>10,018.44</b>	<b>250.33</b>	-	<b>10,268.77</b>	<b>995.23</b>	<b>383.81</b>	-	<b>1,379.04</b>	<b>8,889.73</b>	<b>9,023.21</b>
<b>PLANT AND EQUIPMENT</b>										
Plant and machinery	53,168.36	1,533.36	6.15	54,695.57	8,487.83	3,126.52	-	11,614.35	43,081.22	44,680.53
Electrical installations and equipment	356.65	1.33	-	357.98	77.13	35.84	-	112.97	245.01	279.52
Computer	44.30	12.88	-	57.18	30.85	9.74	-	40.59	16.59	13.45
	<b>53,569.31</b>	<b>1,547.57</b>	<b>6.15</b>	<b>55,110.73</b>	<b>8,595.81</b>	<b>3,172.10</b>	-	<b>11,767.91</b>	<b>43,342.82</b>	<b>44,973.50</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	151.25	16.53	-	167.78	60.60	21.54	-	82.14	85.64	90.65
	<b>151.25</b>	<b>16.53</b>	-	<b>167.78</b>	<b>60.60</b>	<b>21.54</b>	-	<b>82.14</b>	<b>85.64</b>	<b>90.65</b>
<b>VEHICLES</b>										
Owned	248.44	46.62	29.77	265.29	95.45	33.67	0.26	128.86	136.43	152.99
Taken under finance lease*	217.49	-	217.49	-	66.44	-	66.44	-	-	151.05
	<b>465.93</b>	<b>46.62</b>	<b>247.26</b>	<b>265.29</b>	<b>161.89</b>	<b>33.67</b>	<b>66.70</b>	<b>128.86</b>	<b>136.43</b>	<b>304.04</b>
<b>OFFICE EQUIPMENT</b>										
Office equipment	115.02	11.68	0.95	125.75	49.74	23.30	0.00	73.04	52.71	65.28
	<b>115.02</b>	<b>11.68</b>	<b>0.95</b>	<b>125.75</b>	<b>49.74</b>	<b>23.30</b>	<b>0.00</b>	<b>73.04</b>	<b>52.71</b>	<b>65.28</b>
<b>Total</b>	<b>67,227.28</b>	<b>1,872.73</b>	<b>254.36</b>	<b>68,845.65</b>	<b>9,863.27</b>	<b>3,634.42</b>	<b>66.70</b>	<b>13,430.99</b>	<b>55,414.66</b>	<b>57,364.01</b>

For lien / charge against property, plant and equipment refer note 15 (a) and 15 (b)

\* Motor Vehicles taken under finance lease now reclassified as Right of use as per IndAs 116 (refer note 1 (XI) &amp; note 38)

**Note 6 - Non-current investments**

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Qty (in nos)	Amount	Qty (in nos)	Amount
<b>Investment in equity instruments (valued at cost)</b>				
<b>(Unquoted)</b>				
(i) India Paryavaran Sahayak Foundation 3,000 shares (As at March 31, 2020: 3,000 Shares) of ₹10 each fully paid up <b>[Refer Note 6.1]</b>	<b>3,000</b>	<b>0.30</b>	<b>3,000</b>	<b>0.30</b>
<b>Total</b>		<b>0.30</b>		<b>0.30</b>

**Note 6.1** Investments in India Paryavaran Sahayak Foundation (a company incorporated under section 8 of companies Act, 2013) are made with no objective to obtain economic benefits from its activities.

**Note 7 - Loans**

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non-current</b>		
Security deposits		
Unsecured-Considered Good	638.02	778.68
Doubtful	25.49	25.49
	663.51	804.17
Less : Provision for the doubtful Securities	(25.49)	(25.49)
	638.02	778.68
<b>Total</b>	<b>638.02</b>	<b>778.68</b>
<b>(b) Current</b>		
Loan to employees		
Unsecured-Considered Good	5.71	6.29
Security deposits		
Unsecured-Considered Good	172.12	98.49
<b>Total</b>	<b>177.83</b>	<b>104.78</b>

**Note 8 - Others financial assets**

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non Current</b>		
Other bank balances - balance held as margin money against guarantee *	1,119.85	1,053.94
<b>Total</b>	<b>1,119.85</b>	<b>1,053.94</b>
<b>(b) Current</b>		
Interest accrued on deposits	185.15	88.76
Other bank balances - balance held as margin money against guarantee *	135.66	89.54
<b>Total</b>	<b>320.82</b>	<b>178.30</b>

\* Margin for bank guarantees and others

**Note 9 - Income tax assets (net)**

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Tax Assets</b>		
Advance tax including TDS receivables and TDS refund	2.95	2.95
<b>Total</b>	<b>2.95</b>	<b>2.95</b>

**Note 10 - Other assets**

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non Current</b>		
<b>Capital advances</b>		
Unsecured, considered good	2,273.48	515.06
Doubtful	11.89	11.89
	2,285.37	526.95
Less: Provision for doubtful Capital advances	(11.89)	(11.89)
	2,273.48	515.06
Advances to brand franchisee	-	50.00
Goods and Services Tax deposit under protest (Refer Note 48)	1,989.97	-
Prepaid expenses	113.81	42.38
Deferred Lease - Security Deposit	1.37	3.06
<b>Total</b>	<b>4,378.63</b>	<b>610.50</b>
<b>(b) Current</b>		
Advances to vendors	519.08	222.06
Less: Provision for doubtful advances to vendors	(56.41)	(56.02)
	462.67	166.04
Amount recoverable from customer	125.01	125.01
Less : Provision for amount recoverable from customer	(125.01)	(125.01)
	-	-
Advance to brand franchisee	50.00	-
Balance with government authorities *	3,862.93	485.54
Prepaid expenses	683.87	688.03
other advances	-	5.00
<b>Total</b>	<b>5,059.47</b>	<b>1,344.61</b>

\*includes Excise duty paid in advance, GST receivable and other receivable

**Note 11 - Inventories\***  
(valued at lower of cost and net realisable value)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Raw materials	1,272.29	1,518.75
(b) Work in progress	415.23	262.80
(c) Finished goods**	6,169.97	6,992.42
(d) Packing material	830.59	515.90
(e) Fuel, Chemicals, Stores and spares	1,613.68	1,338.26
	<b>10,301.76</b>	<b>10,628.12</b>
Less: Provision for slow and non moving inventory	(87.02)	-
<b>Total</b>	<b>10,214.74</b>	<b>10,628.12</b>

\* For parri passu charge against Inventories refer note 15 (a) & 15(b).

\*\* Finished goods include Stock in Transit of ₹ 29.93 Lacs (March 31, 2020: ₹ NIL)

The mode of valuation of inventories has been stated in note 1.3 (VIII).

**Note 12 - Trade receivables\***

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured	8,790.90	3,381.50
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	28.35	0.41
	8,819.26	3,381.91
Less: Loss Allowance	(28.35)	(0.41)
<b>Total</b>	<b>8,790.90</b>	<b>3,381.50</b>

\* For parri passu charge against trade receivables refer note 15 (a) & 15(b).

(₹ in Lacs)

Age of Receivables	As at March 31, 2021	As at March 31, 2020
1-30 days past due	7,055.19	2,407.43
31-90 days past due	845.64	558.16
More than 90 days past due	918.43	416.32

Movement in the expected credit loss allowance	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	0.41	374.53
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	27.94	374.12
Balance at the end of the year	<b>28.35</b>	<b>0.41</b>

**Of the trade receivables balance as at the year end, the Company's largest customers who represents more than 10% of the total balance of trade receivables as at March 31, 2021 are as follows:**

Trade receivables	As at March 31, 2021	As at March 31, 2020
Rajasthan State Ganganagar Sugar Mills Limited	2,964.04	949.51
United Spirits Limited	866.73	590.18
<b>Total</b>	<b>3,830.77</b>	<b>1,539.69</b>

**Note 13 - Cash and cash equivalents**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Cash and cash equivalents</b>		
Cash on hand	4.18	7.83
Balances with banks		
(i) In current accounts	181.48	694.63
(ii) Bank deposits	5,627.00	1,296.00
<b>Total (a)</b>	<b>5,812.66</b>	<b>1,998.46</b>
<b>(b) Bank balances other than (a) above</b>		
Other bank balances	-	0.66
Unpaid dividend account	-	-
<b>Total (b)</b>	<b>-</b>	<b>0.66</b>

**Note14 (i) - Equity share capital**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)
<b>(a) Authorised</b>				
Equity shares of ₹10 each with voting rights	3,50,00,000	3,500.00	3,50,00,000	3,500.00
Cumulative compulsorily convertible preference shares (CCCPs) of ₹ 140 each	51,00,000	7,140.00	51,00,000	7,140.00
	<b>4,01,00,000</b>	<b>10,640.00</b>	<b>4,01,00,000</b>	<b>10,640.00</b>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of ₹10 each with voting rights	2,87,99,268	2,879.93	2,87,99,268	2,879.93
<b>Total</b>	<b>2,87,99,268</b>	<b>2,879.93</b>	<b>2,87,99,268</b>	<b>2,879.93</b>

**(a) Changes in equity share capital during the year :**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)
<b>Equity shares with voting rights</b>				
Shares outstanding at the beginning of the year	2,87,99,268	2,879.93	2,87,99,268	2,879.93
Shares outstanding at the end of the year	<b>2,87,99,268</b>	<b>2,879.93</b>	<b>2,87,99,268</b>	<b>2,879.93</b>

**(b) Shareholder holding more than 5 percent shares :**

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Fully paid equity shares with voting rights</b>				
Chandbagh Investments Limited	1,12,09,140	38.92%	1,12,09,140	38.92%
Templeton Strategic Emerging Markets Fund IV	49,70,766	17.26%	50,38,168	17.49%
Mr. Ajay Kumar Swarup	19,24,254	6.68%	19,24,254	6.68%

Rights, preferences and restrictions on equity shares:

The Group has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the 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 Group, in proportion to their shareholding.

**Note 14 (ii) - Non-controlling interest**

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
Balance at beginning of year	(90.18)	(71.79)
Share of profit/(loss) for the year	(1.75)	(19.80)
Acquisition of shares by minority shareholders	-	1.42
<b>Total</b>	<b>(91.93)</b>	<b>(90.18)</b>

**Note 14 (iii) - Other Equity**

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
Securities Premium	14,890.87	14,894.92
General Reserve	1,415.65	1,415.65
Retained Earnings	39,339.39	25,496.04
Other Comprehensive Income	6.44	(43.99)
<b>Total</b>	<b>55,652.35</b>	<b>41,762.62</b>

**(i) Securities Premium:** Securities Premium consists of premium on issue of shares.

**(ii) General Reserve:** General Reserve was created by transfer of surplus in statement of profit and loss.

**Note 15 (a) - Non - current financial liabilities - Borrowings (at amortised cost)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
Term loans* (refer note (i) below) from banks	10,670.49	13,278.97
<b>Unsecured</b>		
from other parties	0.11	0.64
<b>Total</b>	<b>10,670.60</b>	<b>13,279.61</b>

\* There has been no breach of financial covenants mentioned in the loan agreements during the reporting periods.

Notes :-

- (i) Term loan from HDFC Bank of ₹ 1,558.01 Lacs (March 31, 2020 ₹ 2,027.81 Lacs) is secured by first pari passu charge on all movable fixed assets of the Group and equitable mortgage of factory land & building of both the plants at Behror and Samalkha and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited. The loans carry interest ranging from 9% p.a to 11% p.a.

Repayment term :- ₹ 25 Lacs repayable in 1 quarterly installment of ₹ 25 Lacs each.

Repayment term :- ₹ 187.50 Lacs repayable in 5 quarterly installment of ₹ 37.50 Lacs each.

Repayment term :- ₹ 62.5 Lacs repayable in 5 quarterly installment of ₹ 12.50 Lacs each.

Repayment term :- ₹ 1,125.18 Lacs repayable in 12 quarterly installment of ₹ 87.86 Lacs each and last installment of ₹ 70.86 Lacs.

Repayment term :- ₹ 157.82 Lacs repayable in 13 quarterly installment of ₹ 12.14 Lacs each.

As per RBI circular no RBI/2019-20/220, Group has opted for moratorium during the year ended March 31, 2020. According to this, March 2020 month principle amount of ₹ 100.00 Lacs has been paid in June 2020. Interest has continued to accrue on the outstanding portion of the term loans during the moratorium period.

Term loan from Standard Chartered Bank Rs. NIL (March 31, 2020 ₹ 3,587.21 Lacs), secured by first pari passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited. These term loans have been taken over by HDFC Bank in December, 2020. Term loan from HDFC Bank of ₹ 2,818.52 Lacs (March 31, 2020 ₹ Nil) carrying interest rate of 8% p.a., secured by first pari passu charge on all movable and immovable assets of the Group.

Repayment term :- ₹ 2,406.25 Lacs repayable in 11 quarterly installment of ₹ 218.75 Lacs each.

Repayment term :- ₹ 412.27 Lacs repayable in 11 quarterly installment of ₹ 37.48 Lacs each.

Term loan from SVC Co-operative Bank Limited of ₹ 2,776.74 Lacs. (Outstanding as on March 31, 2020 4,000 Lacs) is secured by first pari passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited. The loan carries interest of 8.90% p.a.

Repayment term :- ₹ 2,335.20 Lacs repayable in 21 monthly installment of ₹ 111.20 Lacs each.

Repayment term :- ₹ 332.70 Lacs repayable in 3 monthly installment of ₹ 110.90 Lacs each.

Repayment term :- ₹ 108.84 Lacs repayable at once in July, 2023.

Term loan from Axis Bank of ₹ 6,356.23 Lacs (March 31, 2021 is ₹ 7,706.24 Lacs) is secured by first pari passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited. The loans carry interest ranging from 8% p.a to 10.45% p.a.

Repayment term :- ₹ 3,990 Lacs repayable in 7 quarterly installments of ₹ 570 Lacs each.

Repayment term :- ₹ 2,090 Lacs repayable in 4 quarterly installments of ₹ 522.50 Lacs each.

Repayment term :- ₹ 210 Lacs repayable in 7 quarterly instalments of ₹ 30 Lacs each.

Repayment term :- ₹ 55 Lacs in 2 equal quarterly installments of ₹ 27.50 each

Repayment term :- ₹ 11.23 Lacs in 1 quarterly instalment in December, 2023.

As per RBI circular no RBI/2019-20/220, Group has opted for moratorium during the year ended March 31, 2020. According to this, March 2020 month principle amount of ₹ 250.00 Lacs has been paid in June 2020. Interest has continued to accrue on the outstanding portion of the term loans during the moratorium period.

Term Loan from Axis bank ₹ 1,646 Lacs (March 31, 2020 ₹ NIL), obtained on March 11, 2021, secured by first pari passu charge on all movable and immovable assets of the Group. The loan carries interest of 7.40%.

Repayment term :- ₹ 1,646 Lacs in 48 equal quarterly installments of ₹ 34.29 Lacs each .

**Note 15 (b) - Non - current financial liabilities - Borrowings (at amortised cost)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured borrowings</b>		
Indian currency cash credit*	2,471.91	110.49
Overdraft **	256.41	337.09
<b>Total</b>	<b>2,728.33</b>	<b>447.58</b>

\* Indian currency cash credit includes cash credit of ₹ 2,471.91 Lacs (March 31, 2020 ₹ 110.49 Lacs) which is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debt and second pari passu charge by way of extension of charge on all the fixed assets of the Group including equitable mortgage of factory land & building at Behror and Samalkha.

\*\* Overdraft of ₹ 256.41 Lacs is hypothecated against fixed deposits from Axis Bank (March 31, 2020 ₹ 337.09 Lacs) carrying interest rate in range of 5.67% to 8.13% p.a (March 31, 2020 interest rate in the range of 7.75% to 8.55% p.a).

**Note 16 - Lease Liability\***

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non current</b>		
Lease liability on motor vehicles	84.71	105.86
Other lease liability	481.26	38.10
	<b>565.97</b>	<b>143.96</b>
<b>(b) Current</b>		
Lease liability on motor vehicles	71.71	59.69
Other lease liability	180.56	85.58
<b>Total</b>	<b>252.27</b>	<b>145.27</b>

\*Refer note 38

**Note 17 - Provisions**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non-current</b>		
Provision for gratuity (refer note 42)	300.82	278.02
<b>Total</b>	<b>300.82</b>	<b>278.02</b>
<b>(b) Current</b>		
Provision for gratuity (refer note 42)	149.03	115.89
Other provisions	528.04	420.02
<b>Total</b>	<b>677.07</b>	<b>535.91</b>

(₹ in Lacs)

Other provisions	Provision against customer contracts
<b>Balance at April 01, 2019</b>	<b>83.89</b>
Provision made during the year	336.13
Provision written back/ utilised during the year	-
<b>Balance at March 31, 2020</b>	<b>420.02</b>
<b>Balance at April 01, 2020</b>	<b>420.02</b>
Provision made during the year	109.81
Provision written back/ utilised during the year	1.79
<b>Balance at March 31, 2021</b>	<b>528.04</b>

**Note 18 - Deferred tax (liabilities)/assets (net)\***

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	3,162.80	5,000.22
Deferred tax liabilities	(8,410.35)	7,826.55
<b>Total</b>	<b>(5,247.55)</b>	<b>12,826.77</b>
<b>Tax effect of items constituting deferred tax assets</b>		
MAT credit entitlement**	2,648.60	4,752.54
Provision for employee benefits	186.36	190.88
Provision for doubtful debts and advances	41.88	32.78
Others	285.96	24.02
<b>Total</b>	<b>3,162.80</b>	<b>5,000.22</b>
<b>Tax effect of items constituting deferred tax liability</b>		
Property plant & equipment	8,410.35	7,826.65
Others	-	-
<b>Total</b>	<b>8,410.35</b>	<b>7,826.65</b>
<b>Write back of previous year deferred tax liability</b>	<b>-</b>	<b>0.10</b>
<b>Deferred tax (liabilities)/ assets (net)</b>	<b>(5,247.55)</b>	<b>(2,826.34)</b>

\* Subsidiary Company (Unibev Limited) has total temporary difference of ₹ 3,218.00 Lacs (including accumulated tax losses of ₹ 3,108.83 Lacs) In the absence of reasonable certainty of utilisation of temporary difference (including accumulated tax losses), deferred tax asset has not been created by the subsidiary.

\*\* The MAT credit entitlement as at March 31, 2021 is valid upto financial year ranging from year ending March 31, 2027 to March 31, 2036.

**Note 19 - Other liabilities**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non current</b>		
Subsidy received from ministry of new and renewable energy	52.80	68.00
Import duty grants	151.21	158.52
<b>Total</b>	<b>204.00</b>	<b>226.52</b>
<b>(b) Current</b>		
Advances from customers	1,118.22	1,304.79
Subsidy received from ministry of new and renewable energy	15.20	15.20
Statutory liabilities	2,070.30	638.96
Other liabilities	11.31	10.64
<b>Total</b>	<b>3,215.02</b>	<b>1,969.59</b>

**Note 20 - Trade payables**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to Micro, Small and Medium Enterprises (Refer note 34)	131.85	43.01
Outstanding dues to parties other than Micro, Small and Medium Enterprises	11,742.52	10,805.89
<b>Total</b>	<b>11,874.37</b>	<b>10,848.90</b>



**Note 21 - Other financial liabilities**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Security deposits from customers	49.54	69.08
Payables towards purchase of fixed assets	111.03	371.98
Current maturities of long-term borrowings from banks	4,485.01	4,042.29
Interest accrued but not due on borrowings	66.03	33.01
Other financial liabilities	-	2.70
<b>Total</b>	<b>4,711.61</b>	<b>4,519.06</b>

**Note 22 - Current tax liabilities (net)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current tax liabilities</b>		
Provision for taxation (net of advance tax including TDS receivable of ₹ 3,363.94 Lacs) (March 31, 2020 ₹ 1,204.32 Lacs)	313.70	68.70
<b>Total</b>	<b>313.70</b>	<b>68.70</b>

**Note 23 - Revenue from operations**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Revenue from Contract with customers</b>		
<b>(a) Sale of goods</b> (including excise duty of ₹ 44,136.22 Lacs for the year ended March 31, 2021 and ₹ 9,861.45 Lacs for the year ended March 31, 2020)	165,368.17	124,636.34
<b>(b) Rendering of services</b> Bottling charges and cleaning charges	1,794.48	2,067.53
<b>Other operating Revenue</b>		
(a) Duty drawback and other export incentives	50.18	39.23
<b>Total</b>	<b>167,212.83</b>	<b>126,743.10</b>

**Note:**

The Group derives revenue from contracts with customers, which has been disaggregated on the basis of major product lines into Industrial alcohol contributing ₹ 54,549.11 Lacs and Indian Made Indian Liquor contributing ₹ 51,366.57 Lacs (net of discount) to the revenue from operations.

**Note 24 - Other income**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Interest income</b>		
Interest income earned on financial assets that are not designated as at Fair value through profit or loss : On financial assets carried at amortised cost	334.46	155.38
<b>(b) Other non-operating income</b>		
(a) Net foreign exchange gain	28.80	15.76
(b) Income on EPCG and duty grants on property plant & equipment	7.31	92.38
(c) Others	285.61	110.15
<b>Total</b>	<b>656.18</b>	<b>373.67</b>

**Note 25 - Cost of materials consumed**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Raw materials and packing materials</b>		
Opening stock	2,034.65	1,871.68
Add: Opening work in progress	262.80	394.59
Add: Purchases	64,714.47	74,323.08
	<b>67,011.92</b>	<b>76,589.35</b>
Less: Closing stock	(2,102.88)	(2,034.65)
Less :Closing work in progress	(415.23)	(262.80)
<b>Total</b>	<b>64,493.81</b>	<b>74,291.90</b>

**Note 26 - Changes in inventory of finished goods**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Add: Opening stock</b>		
Finished goods	6,992.42	4,458.35
<b>Less: Closing stock</b>		
Finished goods	6,169.97	6,992.42
<b>Total</b>	<b>822.45</b>	<b>(2,534.07)</b>

**Note 27- Excise Duty**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Excise duty on sale of goods	44,136.22	9,861.45
<b>Total</b>	<b>44,136.22</b>	<b>9,861.45</b>

**Note 28 - Employee benefits expense**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages, including bonus	3,607.44	3,213.52
Contribution to provident funds & other funds	126.21	115.40
Gratuity expenses	76.37	71.05
Staff welfare expenses	32.37	28.09
<b>Total</b>	<b>3,842.40</b>	<b>3,428.06</b>

**Note 29 - Finance cost**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Interest expense on</b>		
Interest on term loan	1,594.00	2,069.64
Interest on working capital	114.87	118.16
Interest expense on lease liability	72.51	29.08
<b>(b) Other borrowing costs</b>		
Bank charges	101.45	138.51
<b>Total</b>	<b>1,882.83</b>	<b>2,355.39</b>

**Note 30 - Depreciation and amortisation expenses**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation for the year	3,766.21	3,635.91
Amortisation of intangible assets for the year	20.43	-
Amortisation of right of use assets for the year	279.03	166.13
<b>Total</b>	<b>4,065.67</b>	<b>3,802.04</b>

**Note 31 - Other expenses**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of lab chemicals and enzymes	815.81	2,696.06
Increase/(decrease) of excise duty on inventory	666.97	161.63
Power and fuel	11,521.55	11,504.75
Bottling expenses/fees	6,440.17	6,678.66
Excise license, establishment and supervision fees	824.59	711.34
Security expenses	201.20	198.89
Effluent disposal	74.07	72.72
Flour and pet coke feeding	594.37	443.53
Rent including lease rentals	355.09	302.59
Repairs and maintenance-buildings	162.48	140.15
Repairs and maintenance-machinery	1,745.37	1,540.45
Repairs and maintenance-others	193.09	97.74
Insurance	175.71	126.09
Rates and taxes	60.97	40.63
Communication	36.89	39.30
Travelling and conveyance	212.96	307.34
Printing and stationery	21.72	19.66
Freight and handling charges	2,943.91	2,573.94
Business promotion and marketing	453.97	575.76
Donations and contributions	20.45	2.84
Legal and professional	393.19	250.10
Payments to auditors (refer note 37)	71.28	66.32
Liquidation damages	-	127.95
Subscription books & periodicals	49.99	36.80
Director's sitting fee	9.25	7.46
Credit impaired trade and other receivables, loans and advances written off	2.76	15.13
Loss allowance on credit impaired trade receivables and advances	26.05	200.39
Loss allowance on slow/non-moving inventories	87.02	-
Expenditure on corporate social responsibility (refer note 35)	85.29	30.00
Provision for loss in investment	51.15	-
Design services and brand development	6.62	16.29
Miscellaneous expenses	144.40	237.29
<b>Total</b>	<b>28,448.34</b>	<b>29,221.80</b>

## Note 32 - Tax expense

(₹ in Lacs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Current tax</b>		
Current tax expense	3,677.64	1,273.02
	<b>3,677.64</b>	<b>1,273.02</b>
<b>(b) Deferred tax charge / (credit)</b>		
In respect of current year	313.73	1,347.50
MAT credit utilisation (entitlement)*	2,103.94	(912.50)
	<b>2,417.67</b>	<b>435.00</b>
<b>(c) Tax adjustments related to earlier years</b>		
Current tax expense	-	12.06
	-	<b>12.06</b>
<b>Income tax recognised in profit and loss</b>	<b>6,095.31</b>	<b>1,720.08</b>
<b>The income tax expense for the year can be reconciled to the accounting profit as follows :-</b>		
Profit before tax	21,078.97	6,690.20
Income tax expense calculated at 34.944% (PY 34.944%)	7,365.83	2,337.82
Effect of items that are not deductible in determining taxable profit	40.18	17.23
Tax adjustments related to earlier years	-	12.06
Effect of tax benefit on exempted income	(1,316.67)	(980.61)
Others	7.67	(2.21)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>6,097.01</b>	<b>1,384.30</b>
<b>(d) Income tax recognised in other comprehensive income (OCI)</b>		
Measurement of defined benefit liabilities	9.88	(67.62)
Tax adjustment in respect of remeasurement of defined benefit liabilities	(3.45)	23.63
	<b>(3.45)</b>	<b>23.63</b>

\* Income tax expense for the year ended March 31, 2021 and year ended March 31, 2020 includes MAT credit utilisation/ (entitlement) amounting to ₹ 2,103.94 Lacs and ₹ (912.50) Lacs respectively.

On September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 01, 2019 subject to certain conditions. The Group has exercised its option to continue with existing tax rate (presently 34.944%) structure.

## Note 33 - Contingent liabilities and commitments

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Contingent liabilities*</b>		
Excise duty matters	180.81	180.81
Income tax matters	196.61	-
Goods and Services tax matters**	2,294.89	-
Sales tax matter***	1,849.05	409.50
Guarantees by bank on behalf of Group****	63.00	60.00
	<b>4,584.36</b>	<b>650.31</b>
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	4,290.38	837.17
<b>Total</b>	<b>8,874.74</b>	<b>1,487.48</b>

### Note:

Based on the legal opinion obtained by the management and inspections carried out by the PF authorities for the FY 2014-2019, at one of the manufacturing locations of the Group, the management is of the view that the recent Supreme Court order dismissing the review petition filed by M/s Surya Roshni Limited, is not likely to have material impact on the Group for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous Provisions Act, 1952.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

\* The above disclosure excludes an amount of ₹ 324.68 Lacs, wherein the demand is in respect of sales made by the Group on behalf of its brand franchisees, and contractually, these brand franchisees are required to reimburse the Group for the liability, if any.

\*\* Goods and Services tax matters include Goods and Services Tax amounting to ₹ 1,989.97 Lacs deposited under protest

\*\*\* Sales tax matter include demand for Value Added tax amounting to ₹ 1,060.77 Lacs on account of issue regarding classification of one of the item sold by the Group.

\*\*\*\* Guarantees by bank on behalf of the Group as on March 31, 2021 are excluding performance guarantees amounting to ₹ 540.61 Lacs.

The Parent has investment of ₹ 2,795.78 Lacs in and has given advance of ₹ 1,490.15 Lacs to its subsidiary Unibev Limited ('Unibev'). Unibev has accumulated losses of ₹ 3,108.83 Lacs. As Unibev is into expansion stage, the Parent has confirmed to continue to provide requisite financial and operational support to Unibev for its continued operations as and when required.

**Note 34 - Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Further no interest has been paid under the terms of MSMED Act, 2006. Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of the year	131.85	43.01
Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**Note 35 - Corporate Social Responsibility expenditure**

Gross amount required to be spent by the Group during the year ₹ 85.29 Lacs (March 31, 2020 : ₹ 44.85 Lacs)

(₹ in Lacs)

Amount spent during the year on:	As at March 31, 2021	As at March 31, 2020
<b>(i) Construction / acquisition of any asset</b>		
- in cash	-	-
- yet to be paid in cash	-	-
<b>(ii) On purpose other than above</b>		
- in cash	85.29	30.00
- yet to be paid in cash	-	-
	<b>85.29</b>	<b>30.00</b>
<b>Unspent amount</b>	<b>-</b>	<b>14.85</b>
<b>Total</b>	<b>85.29</b>	<b>44.85</b>

**Note 36 - Earnings per share**

(₹ in Lacs)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year attributable to equity shares	₹ in Lacs	14,081.98	4,989.92
Weighted average number of equity shares outstanding	Numbers	28,799,268	28,799,268
Basic earnings per share (face value - ₹ 10 per share)	Rupees	48.90	17.33
Diluted earnings per share (face value - ₹ 10 per share)	Rupees	48.90	17.33

**Note 37 - Auditors' remuneration (net of tax credit taken)**

(₹ in Lacs)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
Services as statutory auditors			
For Statutory Audit		43.44	39.43
For Limited Review		21.00	15.00
For other services			
For Certification		6.00	8.93
Reimbursement of out-of-pocket expenses		0.84	2.96
<b>Total</b>		<b>71.28</b>	<b>66.32</b>

## Note 38 : Leases

The Group leases land, offices, and motor vehicles. Rental contracts are typically made for fixed periods of 03 years to 08 years, but may have extension options. Land has a lease term of 99 years.

The Group has adopted Ind AS 116, effective annual reporting period beginning April 01, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard recognized on the date of initial application (April 01, 2019).

On adoption of Ind AS 116, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 01, 2019 was 11%.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

### Practical expedients applied

In applying Ind AS 116 for the first time, the Group has used the practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at April 01, 2019.
- accounting for operating leases with a remaining lease term of less than 12 months as at April 01, 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

### Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a modified retrospective basis with ROU assets equal to lease liability on the date of transition.

### Adjustments recognised in the balance sheet on April 01, 2019

The implementation of Ind AS 116 has resulted in recognizing a lease liability of ₹ 101.35 lakhs and 'Right to use' (RoU) assets of ₹ 228.37 lakhs (including prepaid portion of interest free security deposit) as at April 01, 2019. Further, in respect of leasehold land which were classified as operating leases applying Ind AS 17, an amount of ₹ 1,006.47 lakhs has been reclassified from other current / non-current assets to RoU assets, and in respect of Motor Vehicle leases that were classified as finance leases applying Ind AS 17, an amount of ₹ 180.56 lakhs has been reclassified from property, plant and equipment to RoU assets.

### The changes to ROU assets for the year ended March 31, 2021 are as follows:

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
<b>Right-of-use assets</b>		
Land lease	1,273.62	995.75
Motor Vehicle leases	275.36	279.91
Building leases	662.44	198.83
<b>Total</b>	<b>2,211.42</b>	<b>1,474.49</b>

#### Note:-

Additions to the right-of-use assets during the current financial year are ₹ 1,132.20 Lacs.

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
<b>Lease liabilities</b>		
Current	252.27	145.27
Non-current	565.97	143.96
<b>Total</b>	<b>818.24</b>	<b>289.23</b>

#### Note:-

The weighted average discount rate applied to lease liabilities as at April 1, 2020 is 8.00% for the remaining lease term.

### Amounts recognised in the Statement of Profit and Loss

The Statement of Profit or Loss shows the following amounts relating to leases:

(₹ in Lacs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Depreciation charge on right-of-use assets			
Land leases		13.67	10.72
Building leases	30	229.03	116.31
Motor vehicles leases		36.34	39.10
<b>Total</b>		<b>279.04</b>	<b>166.13</b>

(₹ in Lacs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Interest expense (included in finance costs)	29	72.51	29.08

The total cash outflow for leases for the year ended March 31, 2021 is ₹ 282.41 Lacs.

Rent expense recorded for short-term leases was ₹ 355.09 Lacs for the year ended March 31, 2021.

The details of contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
1. Payable not later than 1 year	278.25	159.19
2. Payable later than 1 year and not later than 5 years	661.50	161.48
<b>Total</b>	<b>939.75</b>	<b>320.67</b>

### Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

### Note 39 - Financial instruments by categories

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

(₹ in Lacs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>						
Trade receivables	8,790.90	-	-	3,381.50	-	-
Loans	815.85	-	-	883.46	-	-
Cash and cash equivalents	5,812.66	-	-	1,998.46	-	-
Other bank balances	-	-	-	0.66	-	-
Other financial assets	1,440.67	-	-	1,232.24	-	-
<b>Total financial assets</b>	<b>16,860.08</b>	<b>-</b>	<b>-</b>	<b>7,496.32</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>						
Borrowings	13,398.92	-	-	17,769.48	-	-
Trade payables	11,874.37	-	-	10,848.90	-	-
Other financial liability	4,711.61	-	-	476.77	-	-
Lease liability	818.25	-	-	289.23	-	-
<b>Total financial liabilities</b>	<b>30,803.15</b>	<b>-</b>	<b>-</b>	<b>29,384.38</b>	<b>-</b>	<b>-</b>

### Note 40 - Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

For the purpose of the Group's capital management, capital includes equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Group Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital.

### Gearing Ratio

(₹ in Lacs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Non current borrowings	<b>15 (a)</b>	10,670.60	13,279.61
Current maturities of non current borrowings	<b>21</b>	4,485.01	4,042.29
Current borrowings	<b>15 (b)</b>	2,728.33	447.58
Less : Cash and cash equivalents	<b>13(a)</b>	5,812.66	1,998.46
Less : Other bank balance	<b>13(b)</b>	-	0.66
<b>Net Debt (a)</b>		<b>12,071.28</b>	<b>15,770.36</b>
Equity share capital	<b>14</b>	2,879.93	2,879.93
Other Equity	<b>SOCE</b>	55,652.35	41,850.17
<b>Total Capital (b)</b>		<b>58,532.28</b>	<b>44,730.10</b>
<b>Gearing Ratio (a/b)</b>		<b>20.62%</b>	<b>35.26%</b>

## Note 41 - Financial risk management

The Group is exposed to various financial risks arising from underlying operations and finance activities. The Group is primarily exposed to credit risk, liquidity risk and market risk.

Financial risk management within the Group is governed by policies and guidelines approved by the senior management and board of directors. These policies and guidelines cover foreign currency risk, credit risk and liquidity risk.

### (a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group if the counterparty defaults on its obligations.

The Group is exposed to credit risk from its operating activities, primarily trade receivables.

To manage trade receivables, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

The Group also makes general provision for lifetime expected credit loss based on its previous experience of write off in previous years.

The movement in credit loss allowance is as under:

Particulars	(₹ in Lacs)	
	Trade receivables	
<b>Opening balance</b>	<b>0.41</b>	
<b>Loss Allowances-</b>		
Trade Receivables - credit impaired	<b>28.35</b>	
Trade Receivables which have significant increase in credit risk	-	
Written off during the year	-	
<b>Balance at the End</b>	<b>28.76</b>	

### (b) Liquidity risk management

(i) The Group manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
Total committed working capital limits from Banks	<b>6,700.00</b>	<b>4,700.00</b>
Utilized working capital limit	2,728.33	447.58
Unutilized working capital limit	3,971.67	4,252.42

### (ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Particulars	(₹ in Lacs)			
	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
<b>As at March 31, 2021</b>				
Non-derivatives				
Borrowing *	7,213.34	10,670.60	-	17,883.94
Trade payable	11,874.37	-	-	11,874.37
Other financial liabilities	226.60	-	-	226.60
Lease Liability	252.27	565.97	-	818.24
<b>Total non-derivatives liabilities</b>	<b>19,566.58</b>	<b>11,236.57</b>	<b>-</b>	<b>30,803.15</b>
<b>As at March 31, 2020</b>				
Non-derivatives				
Borrowing *	4,489.87	13,279.61	-	17,769.48
Trade payable	10,848.90	-	-	10,848.90
Other financial liabilities	476.77	-	-	476.77
Lease Liability	145.27	143.96	-	289.23
<b>Total non-derivatives liabilities</b>	<b>15,960.81</b>	<b>13,423.57</b>	<b>-</b>	<b>29,384.38</b>

\* Excludes utilized working capital limit disclosed above under liquidity risk management.



### (c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprise of three types of risk i.e interest rate risk, foreign currency risk and other price risk.

Financial instruments affected by market risk include trade receivables and advances.

The Group enters into derivative contracts to manage its exposure to foreign currency risk.

#### Foreign Currency risk management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Group is attributable to Group's operating activities.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period denominated in Rupees are as follows :

Particulars	Assets		Liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD	123.27	-	86.80	261.52
<b>Total</b>	<b>123.27</b>	<b>-</b>	<b>86.80</b>	<b>261.52</b>

(₹ in Lacs)

Foreign currency sensitivity analysis

The Group is mainly exposed to USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the Rupee against the foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary item as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number indicates an increase in profit before tax or vice-versa.

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	strengthenens by 1%	weakens by 1%	strengthenens by 1%	weakens by 1%
Impact on profit / (loss) for the year * USD	0.36	(0.36)	(2.62)	2.62

(₹ in Lacs)

\* Holding all other variable constant

#### Forward foreign exchange contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business. The Group manages its foreign currency risk by hedging transactions that are expected to occur within of 2 to 3 months for hedges of forecasted sales. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivatives contracts outstanding at the end of the reporting period :

Outstanding Contracts	No of deals		Foreign Currency (FCY (\$) Lacs)		Nominal Amount (Rs Lacs)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD/INR buy forward	-	7	-	9.21	-	688.29

(₹ in Lacs)

\* Sensitivity on the above derivatives contracts in respect of foreign currency exposure is insignificant

## Note 42 - Employee benefits plans

Defined benefits plans

Gratuity scheme - The Group makes contributions for gratuity for qualifying employees. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment.

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
<b>Movement in the present value of defined benefit obligation (A)</b>		
1. Present value of obligation as at the beginning of the year	393.91	270.34
2. Current service cost	49.85	50.38
3. Past service cost	-	-
4. Interest cost	26.52	20.68
5. Actuarial (gain) / losses arising from change in Demographic Assumption	-	0.23
6. Actuarial (gain) / losses arising from change in Financial Assumption	(0.33)	73.73
7. Actuarial (gain) / losses arising from change in Experience Adjustments	(9.56)	(6.34)
8. Benefits paid/curtailment	(10.54)	(15.11)
<b>9. Present value of obligation as at the end of the year</b>	<b>449.85</b>	<b>393.91</b>
<b>Liability recognized in the financial statement (A-B)</b>	<b>449.85</b>	<b>393.91</b>
<b>Main actuarial assumption</b>		
Discount rate	6.80%	6.79%
Expected rate of increase in compensation levels	8.00%	8.00%
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-		
Age up to 30 years	3.00%	3.00%
Age from 31 to 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Retirement age (years)	58	58

## Maturity profile of defined benefit obligation

(₹ in Lacs)

Year	Gratuity Amount
0 to 1 year	149.02
1 to 2 year	20.52
2 to 3 year	12.42
3 to 4 year	8.40
4 to 5 year	15.55
5 to 6 year	14.59
6 year onwards	223.67

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
<b>Cost for the period</b>		
1. Current service cost	49.85	50.38
2. Past service cost	-	-
3. Net interest cost	26.52	20.68
<b>Total amount recognised in profit or loss</b>	<b>76.37</b>	<b>71.06</b>
<b>Re-measurements recognised in Other comprehensive income</b>		
1. Actuarial (gain) / losses arising from change in demographic assumption	-	0.23
2. Actuarial (gain) / losses arising from change in financial assumptions	(0.33)	73.73
3. Actuarial (gain) / losses arising from change in experience adjustments	(9.56)	(6.34)
<b>Total re-measurements included in Other Comprehensive Income</b>	<b>(9.89)</b>	<b>67.62</b>
<b>Total amount recognised in statement of profit and loss</b>	<b>66.48</b>	<b>138.68</b>

### Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

(₹ in Lacs)

Particulars	Gratuity
<b>a) Impact of the change in discount rate *</b>	
Present value of Obligation at the end of the year	449.85
i). Impact due to increase of 0.50%	(16.00)
ii). Impact due to decrease of 0.50%	17.43
	-
<b>b) Impact of the change in salary increase *</b>	
Present value of Obligation at the end of the year	449.85
i). Impact due to increase of 0.50%	16.65
ii). Impact due to decrease of 0.50%	(15.44)

\* Holding all other variable constant

### Defined contribution Plans

The Group makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Group has recognised for contributions to these plans in the statement of profit and loss as under :

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Group's contribution to provident and pension fund	126.21	115.40
<b>Total</b>	<b>126.21</b>	<b>115.40</b>

### Note 43 - Segment reporting

The Group is engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Ethanol, Bulk Alcohol and Franchise Bottling. This is the only activity performed and is thus also the main source of risks and returns. The Group's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Group. Accordingly, the Group has a single reportable segment.

### Note 44 - Information about major customer

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale to Rajasthan State Ganganagar Sugar Mills Limited	69,746.60	36,712.76
<b>Total</b>	<b>69,746.60</b>	<b>36,712.76</b>

No other single customer contributed 10% or more to the Group's revenue during financial year 2020-21 and 2019-20.

### Note 45 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

#### Key management personnel and their relatives :

Mr. Ajay Kumar Swarup, Managing Director  
Mr. Shekhar Swarup, Joint Managing Director  
Dr. Bhaskar Roy, Executive Director, Chief Operating Officer and Chief Financial Officer (w.e.f. November 09, 2020)  
Mr. Manik Lal Dutta, Executive Director  
Mr. Ajay Goyal, Chief Financial Officer (ceased to exist w.e.f September 30, 2020)  
Mr. Santosh Kumar Pattanayak, Company Secretary

#### Enterprises over which key management personnel and / or their relatives exercise significant influence :

Biotech India Limited  
GRAS education and training Services Private Limited  
Himalayan Spirits Limited  
Globus Spirits (Jharkhand) Limited  
Globus Trois Freres India Limited  
V C Technologies Private Limited  
Northern India Alcohol Sales Private Limited  
Rajasthan Distilleries Private Limited  
ADL Agrotech Limited (Formerly known as Associated Distilleries Limited)  
Rambagh facility services LLP  
India Paryavaran Sahayak Foundation

**(i) Transactions with related parties :**

(₹ in Lacs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Rent &amp; Maintenance paid</b>		
Rajasthan Distilleries Private Limited	83.72	82.53
Biotech India Limited	74.05	66.19
ADL Agrotech Limited	72.00	6.00
Rambagh facility service LLP	52.80	24.00
<b>Security deposit given</b>		
Rajasthan Distilleries Pvt Ltd	-	38.05
Rambagh Facility Services LLP	-	12.00
Biotech India Limited	4.14	30.52
<b>Purchase/ (Sale) of assets</b>		
GRAS education and training Services Private Limited	1.70	8.20
<b>CSR amount paid</b>		
India Paryavaran Sahayak Foundation	40.00	30.00
GRAS education and training Services Private Limited	41.57	-
<b>Payments made on behalf of</b>		
GRAS education and training Services Private Limited	-	1.51

**Closing balances with related parties :**

(₹ in Lacs)		
Particulars	As at March 31, 2021	As at March 31, 2020
<b>Security deposit given</b>		
ADL Agrotech Limited	341.74	464.94
Rajasthan Distilleries Pvt Ltd	38.05	38.05
Rambagh Facility Services LLP	12.00	12.00
Biotech India Ltd.	34.66	30.52
<b>Other receivable / (payable)</b>		
Globus Trois Freres India Limited	-	0.26
GRAS education and training Services Private Limited	(1.05)	1.70
<b>Investment outstanding</b>		
India Paryavaran Sahayak Foundation	0.30	0.30

**(ii) Transactions with key managerial personnel and their relatives:**

(₹ in Lacs)		
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Managerial remuneration		
Mr. Ajay Kumar Swarup	236.02	170.58
Mr. Shekhar Swarup	205.15	145.75
Dr. Bhaskar Roy	90.92	73.99
Mr. Manik Lal Dutta	59.76	48.19
Mr. Ajay Goyal	37.52	51.98
Mr. Santosh Kumar Pattanayak	17.90	16.15

**Note 46- Fair value hierarchy**

None of the group's financial assets are measured at fair value at the end of each reporting period.

**Note 47 Scheme of Amalgamation**

On March 12, 2020, the Board of Directors of Globus Spirits Limited ("Parent Company") approved a Scheme of amalgamation ("the Scheme") between the Company and its subsidiary Unibev Limited ("transferor Company"), their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals. The Scheme of amalgamation has been filed by the Parent Company with the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Presently, the Parent Company is in the process of seeking requisite approvals from National Company Law Tribunal (NCLT). NCLT vide its order dated April 27, 2021 has listed the matter for final hearing on July 22, 2021.

With effect from the Appointed Date, i.e. 1 April 2019, the Parent Company shall stand amalgamated with transferor Company. All assets and liabilities and the entire business of the Transferor Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing be and stand transferred to and vested in Parent Company, as a going concern so as to become, the undertaking of the Parent Company by virtue of and in the manner provided in the Scheme.

#### **Note 48 Goods and Services Tax deposited under protest**

In June, 2020, Directorate General of Goods and Services Tax (GST) Intelligence (DGGI) carried out search proceedings at various premises of the Parent; at factories and at head office. The Parent has not received any claim/ demand notice from the Goods and Services Tax Department. Pursuant to the aforesaid search proceeding the Parent has voluntarily deposited ₹ 1,989.97 Lacs under protest towards GST liability which may arise on account of issue regarding classification of one of the item sold by the Parent for the period July, 2017 to December, 2020. The Parent has filed writ petition before Hon'ble Delhi High Court on February 17, 2021 challenging the action of DGGI and seeking refund of amount deposited by the Parent. The petition was heard by the Hon'ble High Court in February, 2021 and March, 2021, pursuant to which DGGI has filed its reply and the Parent has filed its counter reply. The matter is pending disposal at Hon'ble High Court and the next hearing in the matter is scheduled on July 23, 2021. On the basis of legal opinion obtained, the Management is confident that ultimately no liability will devolve on the Parent and the Parent will be able to get refund of amount deposited from the Department.

#### **Note 49 Dividend paid/ proposed**

The Parent has paid final dividend amount to ₹ 287.99 Lacs (₹ 1 per equity share (par value of ₹ 10 each)), basis the dividend declared by the board of directors in their meeting held on June 16, 2020. The payment was made post approval of the shareholders in the Annual General Meeting (AGM) of the Company. The dividend was paid on the 5th working day from the date of declaration of the final dividend by the shareholders in the AGM. For the financial year 2020-21, the Board of Directors of the Parent recommended a final dividend of ₹ 2 per equity share (par value of ₹ 10 each). This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Parent. The dividend will be paid on the 5th working day from the date of declaration of the final dividend to the shareholders. In view of COVID-19 the Parent is working on an AGM date. The book closure date for the purpose of the payment of final dividend and AGM date will be announced in due course.

#### **Note 50 Code on Social Security, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

#### **Note 51 Subsequent Events**

All events or transactions that have taken place between March 31, 2021 and date of signing of the consolidated financial statements and for which the Indian Accounting Standard 10 – 'Events after the Reporting Period' ("Ind AS 10") requires disclosure/adjustment are disclosed and/or adjusted in the consolidated financial Statements.

#### **Note 52 - Approval of financial statements**

The consolidated financial statements were approved for issue by the Board of Directors on June 14, 2021.

For and on behalf of the Board of Directors

**Ajay K. Swarup**  
Managing Director  
DIN-00035194

**Shekhar Swarup**  
Joint Managing Director  
DIN-00445241

**Bhaskar Roy**  
Executive Director & CFO  
DIN-02805627

**Santosh Kumar Pattanayak**  
Company Secretary  
ACS-18721

Place : New Delhi  
Date : June 14, 2021

# Independent Auditor's Report

## Report on the Standalone Ind AS Financial Statements

### TO THE MEMBERS OF GLOBUS SPIRITS LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of Globus Spirits Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone 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 of the current period. We have determined that there are no key audit matters to communicate in our report.

##### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report and annexures to the Board Report including Management's Discussion and Analysis, but does not include the standalone financial statements and our auditor's report thereon. The Board Report is expected to be made available to us after the date

of this auditor's report.

- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

##### Management's Responsibility for the Standalone 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 standalone 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

##### Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 standalone 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 standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 the 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 standalone 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.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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 Section 143(3) of the Act, based on our audit we report, to the extent applicable 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 and the reports of the other auditors.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting for the reasons stated therein.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 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 standalone

financial statements; Refer Note 17 and Note 33 to the financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 41(c) to the financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer Note 33 to the financial statements.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
**(UDIN: 21105546AAAADK4132)**

Place: New Delhi  
Date: June 14, 2021

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

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Globus Spirits Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal



financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2021, based on the criteria for internal financial 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 **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
**(UDIN: 21105546AAAADK4132)**

Place: New Delhi  
Date: June 14, 2021

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

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / Ikrarnama/ Shapathpatra/ Memorandum of Entry provided to us, we report that, the title deeds, comprising all the immovable properties of land, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the Memorandum of Entry/ confirmations from lenders. In

respect of immovable properties of land and buildings that have been taken on lease and disclosed as right of use asset in the financial statements, the lease agreements are in the name of the Company.

- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals other than for stock lying with third parties for which confirmations have been obtained and goods in transit for which subsequent receipts have been verified and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans (including interest accrued thereon) aggregating to Rs. 1,490.15 Lacs outstanding as at March 31, 2021 (Rs. 734.27 Lacs amount outstanding as at March 31, 2020) including provision for doubtful loans (including interest accrued thereon) amounting to Rs. 361.95 Lacs as at March 31, 2021 (refer note 6.1 to the standalone financial statements) to its subsidiary, which is a party covered in the register maintained under section 189 of the Companies Act, 2013. In respect of these loans:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
  - (b) According to the information and explanations given to us, the above loans are receivable on demand, which as informed to us, have not been recalled by the Company. The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.
  - (c) According to the information and explanations given to us, the above loans are receivable on demand, which as informed to us, have not been recalled by the Company. Accordingly, there is no overdue amount remaining outstanding as at the balance sheet date.

The reporting under clauses (iii)(b) and (c) above has been done without considering the loan (including interest accrued there on) provided for amounting to Rs. 361.95 Lacs in respect of its subsidiary.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government

under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities. Also, refer Note No. 33 of Standalone financial statements regarding management's assessment on certain matters relating to the provident fund.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (c) Details of dues of Sales Tax, Excise Duty, Income Tax, Service Tax and Goods and Services Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

(Rs in Lacs)					
Name of statute	Nature of Dues	Forum where dispute is pending	Period	Amount due*	Amount unpaid*
Excise Laws	Excise Duty	High court	FY 1995-96, 2004-10	169.69	169.69
		Appellate authority up to commissioner's level	FY 1996-97	11.11	11.11
Sales Tax Laws	Sales Tax	Supreme Court	FY 2004-06, 2007-08, 2009-10	324.68	324.68
		Haryana Tax Tribunal	FY 2010-17	1,084.01	1,084.01
		Appellate authority up to commissioner's level	FY 2017-18	765.03	765.03
Goods and Services Tax Laws	Goods and Services Tax	Appellate authority up to commissioner's level	FY 2017-18	7.50	7.50
Service Tax Laws	Service Tax	Appellate authority up to commissioner's level	FY 2013-17	107.97	107.97
Income Tax Laws	Income Tax	Appellate authority up to commissioner's level	AY 2017-18	196.61	196.61

\* Amount as per demand orders including interest and penalty wherever indicated in the Order.

There were no dues of Customs Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loan or borrowing from government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
**(UDIN: 21105546AAAADK4132)**

Place: New Delhi  
Date: June 14, 2021

# Standalone Balance Sheet

as at March 31, 2021

(₹ in Lacs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
<b>I. ASSETS</b>			
<b>1 Non - current assets</b>			
(a) Property, plant and equipment	2(a)	55,600.01	55,414.66
(b) Right to use of assets	3	2,206.92	1,455.82
(c) Intangible assets	4	40.86	-
(d) Capital work-in-progress	2(b)	4,831.04	2,893.52
(e) Intangible assets under development	5	-	61.29
(f) Financial assets			
(i) Investments	6	0.30	2,744.93
(ii) Loans	7 (a)	1,662.09	1,449.29
(iii) Other financial assets	8 (a)	1,116.85	1,050.94
(g) Income tax assets (net)	9	2.95	2.95
(h) Other non current assets	10 (a)	4,377.26	607.44
<b>Total non-current assets</b>		<b>69,838.28</b>	<b>65,680.84</b>
<b>2 Current assets</b>			
(a) Inventories	11	9,521.46	9,785.81
(b) Financial assets			
(i) Trade receivables	12	8,437.65	2,928.04
(ii) Cash and cash equivalents	13 (a)	5,805.47	1,972.14
(iii) Bank balances other than (ii) above	13 (b)	-	0.66
(iv) Loans	7 (b)	177.83	71.45
(v) Others financial assets	8 (b)	320.81	178.30
(c) Other current assets	10 (b)	4,911.10	1,231.29
<b>Total current assets</b>		<b>29,174.32</b>	<b>16,167.69</b>
<b>TOTAL ASSETS</b>		<b>99,012.60</b>	<b>81,848.53</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	14	2,879.93	2,879.93
(b) Other equity	SOCE	55,552.41	44,008.15
		<b>58,432.34</b>	<b>46,888.08</b>
<b>2 Liabilities</b>			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	15 (a)	10,670.49	13,278.97
(ii) Lease liability	16 (a)	565.97	139.27
(b) Provisions	17 (a)	296.93	272.72
(c) Deferred tax liabilities (net)	18	5,247.55	2,826.34
(d) Other non current liabilities	19 (a)	204.01	226.52
<b>Total non-current liabilities</b>		<b>16,984.95</b>	<b>16,743.83</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15(b)	2,728.32	447.58
(ii) Trade payables	20		
-Total Outstanding dues of Micro Enterprises and Small Enterprises		125.85	24.41
-Total Outstanding dues to creditors other than Micro Enterprises and Small Enterprises		11,628.87	10,546.36
(iii) Other financial liabilities	21	4,711.61	4,519.06
(iv) Lease liability	16 (b)	246.43	130.49
(b) Other current liabilities	19 (b)	3,179.42	1,961.86
(c) Current tax liabilities (net)	22	313.70	68.70
(d) Provisions	17 (b)	661.11	518.16
<b>Total current liabilities</b>		<b>23,595.31</b>	<b>18,216.62</b>
<b>Total liabilities</b>		<b>40,580.26</b>	<b>34,960.45</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>99,012.60</b>	<b>81,848.53</b>

See accompanying notes to the standalone financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

Place : New Delhi  
Date : June 14, 2021

Place : New Delhi  
Date : June 14, 2021

# Standalone Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations	23	166,077.33	125,450.52
II Other income	24	753.48	482.92
<b>III Total income (I + II)</b>		<b>166,830.81</b>	<b>125,933.44</b>
<b>IV Expenses:</b>			
(a) Cost of materials consumed	25	64,157.31	73,843.19
(b) Changes in inventories of finished goods	26	739.74	(2,573.49)
(c) Excise duty on sale of goods	27	43,525.48	9,146.94
(d) Employee benefits expense	28	3,578.10	3,111.34
(e) Finance costs	29	1,881.40	2,352.42
(f) Depreciation and amortisation expenses	30	4,049.94	3,785.96
(g) Other expenses	31	27,820.15	28,615.69
<b>Total expenses (IV)</b>		<b>145,752.12</b>	<b>118,282.05</b>
<b>V Profit before exceptional items and tax (III - IV)</b>		21,078.69	7,651.39
<b>VI Exceptional items</b>	6.1	3,157.73	-
<b>VII Profit before tax (V-VI)</b>		<b>17,920.96</b>	<b>7,651.39</b>
<b>VIII Tax expense:</b>			
(a) Current tax	32 (a)	3,677.65	1,273.02
(b) Deferred tax	32 (b)	2,417.67	435.10
(c) Tax relating to previous year	32 (c)	-	12.06
		<b>6,095.31</b>	<b>1,720.18</b>
<b>IX Profit for the year (VII-VIII)</b>		<b>11,825.64</b>	<b>5,931.21</b>
<b>X Other comprehensive income (OCI)</b>			
(i) Items that will not be reclassified to profit or loss	32 (d)	10.15	(67.62)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	32 (d)	(3.55)	23.63
<b>Other comprehensive income</b>		<b>6.60</b>	<b>(43.99)</b>
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>11,832.24</b>	<b>5,887.22</b>
<b>XII Earnings per share (of ₹ 10 each):</b>	36		
Basic		41.06	20.60
Diluted (in ₹)		41.06	20.60

See accompanying notes to the standalone financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

Place : New Delhi  
Date : June 14, 2021

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Place : New Delhi  
Date : June 14, 2021

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

# Standalone Statement of Cash Flow

## for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
<b>A. Cash flow from operating activities</b>				
Profit for the year		<b>11,825.64</b>		<b>5,931.21</b>
Adjustments for :				
Income tax expense recognised in profit and loss	6,095.31		1,720.18	
Depreciation and amortisation expenses	4,049.94		3,785.96	
Impairment loss	3,157.73		7.10	
Finance cost	1,881.40		2,352.42	
Interest income	(431.76)		(264.63)	
Liabilities written back	(3.79)		(83.06)	
Foreign exchange (gain)/loss	(28.80)		(15.76)	
Credit impaired trade and other receivables, loans and advances written off/(back)	0.46		15.13	
Loss allowance on credit impaired trade receivables and advances	26.05		200.39	
		<b>14,746.56</b>		<b>7,717.73</b>
<b>Operating profit before working capital changes</b>		<b>26,572.18</b>		<b>13,648.94</b>
Movement in working capital:				
(Increase)/decrease in inventories	264.35		(2,702.12)	
(Increase)/decrease in trade receivables	(5,536.12)		2,042.74	
(Increase)/decrease in other assets	(6,343.54)		1,016.19	
Increase/(decrease) in trade payables	1,187.74		1,185.38	
Increase/(decrease) in other liabilities and provisions	1,346.59		1,378.82	
		<b>(9,080.98)</b>		<b>2,921.01</b>
<b>Cash generated from operations</b>		<b>17,491.20</b>		<b>16,569.95</b>
Income taxes paid		(3,429.10)		(1,167.87)
<b>Net cash flow (used) / from operating activities (A)</b>		<b>14,062.10</b>		<b>15,402.08</b>
<b>B. Cash flow from investing activities</b>				
Payment for property, plant and equipment	(8,922.87)		(3,901.20)	
Proceeds from government grants	-		-	
Proceeds from disposal of property, plant and equipments	-		-	
Payment to acquire financial assets	(51.15)		(2,250.00)	
Interest received	335.36		229.85	
Movement in bank balances not considered as cash and cash equivalents	(111.37)		6.86	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(8,750.03)</b>		<b>(5,914.49)</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from borrowings	11,608.25		8,099.67	
Repayment of borrowings	(13,774.01)		(10,509.85)	
Movement in working capital utilization	2,280.75		(2,694.06)	
Repayment of lease liability	(268.48)		(126.06)	
Interest and other borrowing cost paid	(1,848.38)		(2,442.28)	
Dividend Paid	(287.99)		-	
Others- Lease	811.12		-	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(1,478.74)</b>		<b>(7,672.58)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>3,833.33</b>		<b>1,815.01</b>
Cash and cash equivalents at the beginning of the year		1,972.14		157.13
<b>Cash and cash equivalents at the end of the year</b>		<b>5,805.47</b>		<b>1,972.14</b>
<b>Reconciliation of cash and cash equivalents:</b>				
Cash on hand		4.16		7.76
Balances with banks				
(i) In current accounts		174.31		668.38
(ii) Bank deposits		5,627.00		1,296.00
<b>Net cash and cash equivalents</b>		<b>5,805.47</b>		<b>1,972.14</b>

Note: Bank deposits held as margin money for bank guarantees and others is included in cash flow from investing activity

See accompanying notes to the standalone financial statements  
In terms of our report attached.

**For Deloitte Haskins & Sells**  
**Chartered Accountants**  
Firm's Registration Number - 015125N

**Rajesh Kumar Agarwal**  
**Partner**  
Membership No. 105546

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

**Ajay K. Swarup**  
**Managing Director**  
DIN-00035194

**Bhaskar Roy**  
**Executive Director & CFO**  
DIN-02805627

**Shekhar Swarup**  
**Joint Managing Director**  
DIN-00445241

**Santosh Kumar Pattanayak**  
**Company Secretary**  
ACS-18721

Place : New Delhi  
Date : June 14, 2021

Place : New Delhi  
Date : June 14, 2021

# Standalone Statement of Changes in Equity

## for the year ended March 31, 2021

### a. Equity share capital

(₹ in Lacs)

Particulars	Amount
<b>Balance as at April 1, 2019</b>	<b>2,879.93</b>
Changes in equity share capital during the year (refer note 14)	-
<b>Balance as at March 31, 2020</b>	<b>2,879.93</b>
Changes in equity share capital during the year (refer note 14)	-
<b>Balance as at March 31, 2021</b>	<b>2,879.93</b>

### b. Other equity

(₹ in Lacs)

Particulars	Other equity			Total
	Reserves and surplus			
	Securities premium account	General reserve	Surplus in Statement of Profit and Loss	
<b>Balance as at March 31, 2019</b>	14,894.92	1,415.65	21,810.35	<b>38,120.93</b>
1. Profit for the year	-	-	5,931.21	<b>5,931.21</b>
2. Other comprehensive income for the year, net of income tax	-	-	(43.99)	<b>(43.99)</b>
<b>Total comprehensive income for the year</b>	-	-	<b>5,887.22</b>	<b>5,887.22</b>
<b>Balance as at March 31, 2020</b>	<b>14,894.92</b>	<b>1,415.65</b>	<b>27,697.57</b>	<b>44,008.15</b>
1. Profit for the year	-	-	11,825.64	11,825.64
2. Dividend Paid (Refer Note 49)	-	-	(287.99)	(287.99)
3. Other comprehensive income for the year, net of income tax	-	-	6.60	6.60
<b>Total comprehensive income for the year</b>	-	-	<b>11,544.26</b>	<b>11,544.26</b>
<b>Balance as at March 31, 2021</b>	<b>14,894.92</b>	<b>1,415.65</b>	<b>39,241.84</b>	<b>55,552.41</b>

See accompanying notes to the standalone financial statements  
In terms of our report attached.

For Deloitte Haskins & Sells  
Chartered Accountants  
Firm's Registration Number - 015125N

Rajesh Kumar Agarwal  
Partner  
Membership No. 105546

Place : New Delhi  
Date : June 14, 2021

For and on behalf of the Board of Directors

Ajay K. Swarup  
Managing Director  
DIN-00035194

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Place : New Delhi  
Date : June 14, 2021

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

# Notes forming part of the standalone financial statements for the year ended March 31, 2021

## Note 1 - General information and Significant Accounting Policies

### Note 1.1 - General information

Globus Spirits Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act. The registered office of the Company is located at F-0, Ground Floor, The Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi - 110065. The Company is primarily engaged in the business of manufacturing and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Bulk Alcohol, Hand Sanitizer and Franchise Bottling.

### Note 1.2 - Statement of compliance

These standalone Ind AS financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under the Companies (Indian Accounting Standards) Rules, 2015.

### Note 1.3 - Significant Accounting Policies

#### I Basis of preparation and presentation

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

#### Use of estimates and critical accounting judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and the underlying assumptions are reviewed on an

ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of property, plant and equipment and provision for employee benefits.

#### II Revenue recognition

Revenue from contracts with customers

##### Sale of goods

The Company derives revenue from manufacture and sale of Indian Made Indian Liquor (IMIL), Bulk alcohol and Franchisee Bottling.

The Company has applied Ind AS 115 'Revenue from contracts with customers' with effect from 1 April 2018, using the retrospective method with restatement of comparative period. Upon application of Ind AS 115, Revenue is recognized upon transfer of control of promised goods to the customers. The point at which control passes is determined by each customer arrangement when there is no unfulfilled obligation that could affect the customer's acceptance of goods.

At contract inception, the company assesses its promise to transfer products or services to a customer to identify separate performance obligations. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices.

Revenue is measured based on the transaction price i.e. the consideration to which the Company expects to be entitled from a customer, net of returns and allowances, trade discounts and volume rebates. Revenue includes both fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends and past experience. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly. Revenue includes excise duty but excludes goods and services tax.

##### Critical judgements

Judgement is required to determine the transaction price for the contract

Transaction Price: The transaction price could either be a fixed amount of customer consideration or variable consideration with elements such as discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

##### Rendering of services

Revenue from bottling contracts with brand franchise is recognised in the accounting period in which the services are rendered and related costs are incurred in accordance with the agreement between the parties.

### Other Operating income

Income from export incentives are recognised on an accrual basis.

### Other income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### III Property, plant and equipment

i. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. All items of property, plant and equipment have been measured at fair value at the date of transition to Ind-AS. The Company has opted for such fair valuation as deemed cost as at the transition date i. e. April 01, 2016.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition or construction. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of 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 the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

Subsequent costs are included in the assets's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Government Grants related to purchase of property, plant & equipment's are presented in the balance sheet as a deduction from the carrying amount of property ,plant and equipment.

- ii. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.
- iii. Capital work-in-progress  
Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### IV Intangible assets :

Intangible assets including those acquired by the Company are initially measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

#### i. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

#### ii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful economic lives using straight line basis, and is included in depreciation and amortisation in Statement of Profit and Loss.

#### The estimated useful lives are as follows:

Asset	Useful life
Software- ERP	3 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

#### Intangible assets under development

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company will be recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- There is an ability to use or sell the software
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- The expenditure attributable to the software during its development can be reliably measured

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

### V A. Depreciation / amortisation

- i. Depreciation has been provided on the cost of the assets less their residual values on straight line method on the basis of estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

#### Estimated useful lives of the assets is as given below :

Asset	Useful Life
Buildings (including roads)	10-60 years
Plant and machinery	5-25 years
Furniture and fixtures	10 years
Computers and data processing units	3-6 years
Electrical installations and equipment	10 years
Vehicles	8 years
Office equipment's	5 years



- ii. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

## B. Impairment

### (i) Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

### (ii) Non - financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost of disposal and the value-in-use) is determined on an individual asset basis to determine the extent of the impairment loss (if any). An impairment loss is recognised in the statement of profit or loss. The Company reviews at each reporting date if there is any indication that an asset may be impaired. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## VI Foreign currency transactions

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing at the time of transaction.

Monetary items (i.e. trade receivables) denominated in foreign currency are reported using the closing exchange rate on each balance sheet date.

The exchange differences arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognised as income / expense in the period in which they arise.

## VII Financial instruments

### Initial recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

### Subsequent measurement

- i Financial assets carried at amortised cost : A financial asset is subsequently measured at amortised cost if it is held in order to collect 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 on the principal amount outstanding.
- ii Financial assets carried at fair value through other comprehensive income (FVTOCI): A financial asset is subsequently measured at FVTOCI if it is held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- iii Financial assets carried at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories (at amortised cost or through other comprehensive income) are subsequently measured at fair value through profit or loss.

- iv Investment in subsidiary : Investment in subsidiary is carried at cost less impairment, if any, in the separate financial statements.
- v Financial liabilities : Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## VIII Impairment of investments

The Company reviews its carrying value of long term investments in equity shares of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

## IX Inventories

Inventories are valued at the lower of cost (weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary.

Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

## X Employee benefits

The Company has various schemes of employee benefits such as provident fund, employee state insurance scheme and gratuity fund, which are dealt with as under:

- i The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
- ii For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.
- iii The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.
- iv The Company's use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling

The cost of short-term compensated absences is accounted when the absences occur.

## XI Contingent liabilities and provisions

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the

loss becomes probable. Provisions are recognised when the Company has a present obligation (legal / constructive) as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

## XII Leases

### The Company as a lessee

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- i fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- ii variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date.
- iii amounts expected to be payable by the Company under residual value guarantees.
- iv the exercise price of a purchase option if the Company is reasonably certain to exercise that option and
- v Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- i where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- ii uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- iii makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- i the amount of the initial measurement of lease liability
- ii any lease payments made at or before the commencement date less any lease incentives received
- iii any initial direct costs, and
- iv restoration costs.

Right-of-use assets are generally amortised over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit and loss account. Short term leases are the leases with a lease term of 12 months or less. Low-value assets comprise IT equipments and small items of office furniture.

## XIII Earnings per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings / (loss) per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares.

## XIV Income taxes

Provision for current taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss i.e. in other comprehensive income when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

## **XV Use of estimates and judgement**

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

- i Useful lives and residual value of property, plant and equipment and intangible assets: Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.
- ii Impairment of investments : The Company has reviewed its carrying value of long term investments in equity of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- iii Deferred tax assets : The Company has reviewed the carrying amount of deferred tax assets including MAT credit entitlement at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- iv Transaction Price - Sale of goods: The transaction price could either be a fixed amount of customer consideration or variable consideration with elements such as discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.
- v Defined benefit plans/ Other Long term employee benefits: The cost of the defined benefit plans and other long term employee benefit plans related to sick leaves and casual leaves are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

## **XVI Operating cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## **XVII Government grants, subsidies and export incentives**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants related to purchase of property, plant and equipment's are presented in the balance sheet as a deduction from the carrying amount of property, plant and equipment's.

## **XVIII Borrowing costs**

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss as and when incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

## **XIX Derivative contracts**

The Company enters into derivative contracts in the nature of foreign currency forward contracts with an intention to hedge its existing assets and liabilities and highly probable transactions in foreign currency. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign currency transactions and translations.

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## **XX Cash and Cash Equivalents**

Cash comprises of cash on hand and bank. Cash equivalents are short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **XXI Business Combination:**

Ind AS 103 - Business Combinations" Business combinations arising from transfers of interests in entities that are under the common control.

Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved as they appear in the financial statements of the Company in the same form in which they appeared in the financial statements of the acquired entities. The difference, if any, between the consideration and the amount of share capital of the acquired entities is treated as capital reserve. Transaction costs are expensed as they are incurred in respective periods.

**Note 2(a) - Property, plant and equipment as at March 31, 2021**

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Disposals / adjustment of assets	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
<b>LAND</b>										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	<b>2,907.33</b>	-	-	<b>2,907.33</b>	-	-	-	-	<b>2,907.33</b>	<b>2,907.33</b>
<b>BUILDINGS</b>										
Factory buildings	10,268.77	149.05	-	10,417.82	1,379.04	365.43	-	1,744.47	8,673.35	8,889.73
	<b>10,268.77</b>	<b>149.05</b>	-	<b>10,417.82</b>	<b>1,379.04</b>	<b>365.43</b>	-	<b>1,744.47</b>	<b>8,673.35</b>	<b>8,889.73</b>
<b>PLANT AND EQUIPMENT</b>										
Plant and machinery	54,695.57	3,760.75	-	58,456.32	11,614.35	3,277.41	-	14,891.76	43,564.57	43,081.22
Electrical installations and equipment	357.98	-	-	357.98	112.97	35.85	-	148.82	209.16	245.01
Computer	57.18	13.51	-	70.69	40.59	9.80	-	50.40	20.29	16.59
	<b>55,110.73</b>	<b>3,774.26</b>	-	<b>58,884.99</b>	<b>11,767.91</b>	<b>3,323.06</b>	-	<b>15,090.98</b>	<b>43,794.02</b>	<b>43,342.82</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	167.78	26.07	-	193.85	82.14	21.78	-	103.92	89.93	85.64
	<b>167.78</b>	<b>26.07</b>	-	<b>193.85</b>	<b>82.14</b>	<b>21.78</b>	-	<b>103.92</b>	<b>89.93</b>	<b>85.64</b>
<b>VEHICLES</b>										
Owned	265.29	-	-	265.29	128.86	32.88	-	161.74	103.55	136.43
	<b>265.29</b>	-	-	<b>265.29</b>	<b>128.86</b>	<b>32.88</b>	-	<b>161.74</b>	<b>103.55</b>	<b>136.43</b>
<b>OFFICE EQUIPMENT</b>										
Office equipment	125.75	1.35	-	127.10	73.04	22.23	-	95.27	31.83	52.71
	<b>125.75</b>	<b>1.35</b>	-	<b>127.10</b>	<b>73.04</b>	<b>22.23</b>	-	<b>95.27</b>	<b>31.83</b>	<b>52.71</b>
<b>Total</b>	<b>68,845.66</b>	<b>3,950.73</b>	-	<b>72,796.39</b>	<b>13,430.99</b>	<b>3,765.38</b>	-	<b>17,196.38</b>	<b>55,600.01</b>	<b>55,414.66</b>

For lien / charge against property, plant and equipment refer note 15 (a) and 15 (b)

**Note 2(b) - Capital work-in-progress**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Capital work-in-progress	4,831.04	2,893.52
<b>Total</b>	<b>4,831.04</b>	<b>2,893.52</b>

**Note 3 - Right to use of Assets as at March 31, 2021**

(₹ in Lacs)

Particulars	Carrying amount				Accumulated amortisation				Net carrying amount	
	As at March 31, 2020	Additions	Disposals / adjustment of assets	As at March 31, 2021	As at March 31, 2020	Amortisation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Leasehold land <sup>i</sup>	1,006.47	291.54	-	1,298.01	10.72	13.67	-	24.39	1,273.62	995.75
Motor Vehicle <sup>ii</sup>	319.01	56.33	24.54	350.80	39.10	43.03	6.69	75.44	275.36	279.91
Other <sup>iii</sup>	281.87	784.33	91.69	974.51	101.72	214.85	-	316.57	657.94	180.15
	<b>1,607.35</b>	<b>1,132.20</b>	<b>116.23</b>	<b>2,623.32</b>	<b>151.54</b>	<b>271.55</b>	<b>6.69</b>	<b>416.40</b>	<b>2,206.92</b>	<b>1,455.81</b>

(i) Advance towards leasehold land of ₹ 1,006.47 Lacs as on April 01, 2019 was reclassified as Right of use in FY 19-20. (refer note 1.3 (XII) & note 38)

(ii) Motor Vehicles taken under finance lease WDV of ₹ 180.56 Lacs as on April 01, 2019 was reclassified as Right of use in FY 19-20 (refer note 1.3 (XII) & note 38)

(iii) Prepaid portion of security deposit and Building on lease reclassified as Right of use (refer note 1.3 (XII) & note 38)

**Right to use of Assets as at March 31, 2020**

(₹ in Lacs)

Particulars	Carrying amount				Accumulated depreciation				Net carrying amount	
	As at April 01, 2019	Additions	Disposals / adjustment of assets	As at March 31, 2020	As at April 01, 2019	Amortisation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2020	As at March 31, 2020	As at April 01, 2019
Leasehold land <sup>i</sup>	1,006.47	-	-	1,006.47	-	10.72	-	10.72	995.75	-
Motor Vehicle <sup>ii</sup>	180.56	138.45	-	319.01	-	39.10	-	39.10	279.91	-
Other <sup>iii</sup>	228.38	53.49	-	281.87	-	101.72	-	101.72	180.15	-
	<b>1,415.41</b>	<b>191.94</b>	-	<b>1,607.35</b>	-	<b>151.54</b>	-	<b>151.54</b>	<b>1,455.81</b>	-

(i) Advance towards leasehold land of ₹ 1,006.47 Lacs as on April 01, 2019 now reclassified as Right of use (refer note 1.3 (XII) & note 38)

(ii) Motor Vehicles taken under finance lease WDV of ₹ 180.56 Lacs as on April 01, 2019 now reclassified as Right of use (refer note 1.3 (XII) & note 38)

(iii) Prepaid portion of security deposit and Building on lease reclassified as Right of use (refer note 1.3 (XII) & note 38)

**Note 4 - Intangible Assets**

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2020	Additions	Disposals / adjustment of assets	As at March 31, 2021	As at March 31, 2020	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Software - ERP	-	61.29	-	61.29	-	20.43	-	20.43	40.86	-
	-	<b>61.29</b>	-	<b>61.29</b>	-	<b>20.43</b>	-	<b>20.43</b>	<b>40.86</b>	-

**Note 5 - Intangible Assets under development**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2021
Intangible assets under development	-	61.29
Total	-	61.29

**Property, plant and equipment as at March 31, 2020**

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2019	Additions	Disposals / adjustment of assets	As at March 31, 2020	As at March 31, 2019	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
<b>LAND</b>										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	<b>2,907.33</b>	-	-	<b>2,907.33</b>	-	-	-	-	<b>2,907.33</b>	<b>2,907.33</b>
<b>BUILDINGS</b>										
Factory buildings	10,018.44	250.33	-	10,268.77	995.23	383.81	-	1,379.04	8,889.73	9,023.21
	<b>10,018.44</b>	<b>250.33</b>	-	<b>10,268.77</b>	<b>995.23</b>	<b>383.81</b>	-	<b>1,379.04</b>	<b>8,889.73</b>	<b>9,023.21</b>
<b>PLANT AND EQUIPMENT</b>										
Plant and machinery	53,168.36	1,533.36	6.15	54,695.57	8,487.83	3,126.52	-	11,614.35	43,081.22	44,680.53
Electrical installations and equipment	356.65	1.33	-	357.98	77.13	35.84	-	112.97	245.01	279.52
Computer	44.30	12.88	-	57.18	30.85	9.74	-	40.59	16.59	13.45
	<b>53,569.31</b>	<b>1,547.57</b>	<b>6.15</b>	<b>55,110.73</b>	<b>8,595.81</b>	<b>3,172.10</b>	-	<b>11,767.91</b>	<b>43,342.82</b>	<b>44,973.50</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	151.25	16.53	-	167.78	60.60	21.54	-	82.14	85.64	90.65
	<b>151.25</b>	<b>16.53</b>	-	<b>167.78</b>	<b>60.60</b>	<b>21.54</b>	-	<b>82.14</b>	<b>85.64</b>	<b>90.65</b>
<b>VEHICLES</b>										
Owned	248.44	46.62	29.77	265.29	95.45	33.67	0.26	128.86	136.43	152.99
Taken under finance lease*	217.49	-	217.49	-	66.44	-	66.44	-	-	151.05
	<b>465.93</b>	<b>46.62</b>	<b>247.26</b>	<b>265.29</b>	<b>161.89</b>	<b>33.67</b>	<b>66.70</b>	<b>128.86</b>	<b>136.43</b>	<b>304.04</b>
<b>OFFICE EQUIPMENT</b>										
Office equipment	115.02	11.68	0.95	125.75	49.74	23.30	0.00	73.04	52.71	65.28
	<b>115.02</b>	<b>11.68</b>	<b>0.95</b>	<b>125.75</b>	<b>49.74</b>	<b>23.30</b>	<b>0.00</b>	<b>73.04</b>	<b>52.71</b>	<b>65.28</b>
<b>Total</b>	<b>67,227.28</b>	<b>1,872.73</b>	<b>254.36</b>	<b>68,845.65</b>	<b>9,863.27</b>	<b>3,634.42</b>	<b>66.70</b>	<b>13,430.99</b>	<b>55,414.66</b>	<b>57,364.01</b>

For lien / charge against property, plant and equipment refer note 15 (a) and 15 (b)

\* Motor Vehicles taken under finance lease now reclassified as Right of use as per IndAs 116 (refer note 1.3 (XII) & note 38)

**Note 6- Non-current investments**

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Qty (in nos)	Amount	Qty (in nos)	Amount
<b>Investment in equity instruments (valued at cost)</b>				
<b>(Unquoted, in subsidiary company)</b>				
(i) Unibev Limited	6,894,371	2,795.78	6,766,501	2,744.63
68,94,371 shares (As at March 31, 2020: 67,66,501) of ₹10 each fully paid up				
Provision for Investment	-	(2,795.78)	-	-
[Refer Note 1.3 (VIII) and Note 6.1]				
<b>Total investment in subsidiary company (A)</b>		-		<b>2,744.63</b>
<b>Investment in equity instruments (valued at cost)</b>				
<b>(Unquoted)</b>				
(i) India Paryavaran Sahayak Foundation	3,000	0.30	3,000	0.30
3,000 shares (As at March 31, 2020: 3,000 Shares ) of ₹10 each fully paid up				
(ii) Catvision Limited	-	-	-	-
Nil shares (As at March 31, 2017; Nil and As at April 01, 2016: 2,500) of ₹ 10 each fully paid up				
[Refer Note 6.2]				
<b>Total investment in others (B)</b>		<b>0.30</b>		<b>0.30</b>
<b>Total (A)+(B)</b>		<b>0.30</b>		<b>2,744.93</b>
Aggregate carrying value of unquoted investments		0.30		2,744.93
		<b>0.30</b>		<b>2,744.93</b>

**Note :**

6.1 The Company has Investment amounting to ₹ 2,795.78 Lacs as at March 31, 2021 (₹ 2,744.63 Lacs as at March 31, 2020); and has granted loans (including interest receivable) amounting to ₹ 1,490.15 Lacs (₹ 734.27 Lacs as at March 31, 2020) to its subsidiary Unibev Limited. The subsidiary has incurred losses during the year ended March 31, 2021 of ₹ 850.24 Lacs (₹ 961.18 Lacs during year ended March 31, 2020) and has accumulated losses as at March 31, 2021 aggregating to ₹ 3,108.83 Lacs (₹ 2,258.33 as at March 31, 2020) which has fully eroded the net worth of the subsidiary in the current year and has negative net worth as at March 31, 2021 amounting to ₹ 354.04 Lacs (positive net worth of ₹ 496.48 Lacs as at March 31, 2020).

The Company is heading towards merger with Unibev Limited, subject to final order from NCLT, with effect from April 1, 2019. The Company as a prudence on account of losses in its subsidiary's has accounted for ₹ 3,157.73 Lacs as exceptional items in statement of profit and loss account.

6.2 Investments in India Paryavaran Sahayak Foundation (a company incorporated under section 8 of companies Act, 2013) are made with no objective to obtain economic benefits from its activities.

**Note 7 - Loans**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non-current</b>		
Loan to related party (refer note 6.1 and Note 45)*		
Unsecured-considered good	1,128.20	734.27
Doubtful	361.95	-
	1,490.15	734.27
Less : Provision for doubtful loan	(361.95)	-
	1,128.20	734.27
Security deposits		
Unsecured-considered good	533.89	715.02
Doubtful	25.49	25.49
	559.38	740.51
Less : Provision for the doubtful security deposits	(25.49)	(25.49)
	533.89	715.02
<b>Total</b>	<b>1,662.09</b>	<b>1,449.29</b>
<b>(b) Current</b>		
Loan to employees		
Unsecured-considered good	5.71	6.29
Security deposits		
Unsecured-considered good	172.12	65.16
<b>Total</b>	<b>177.83</b>	<b>71.45</b>

**Note 8 - Others financial assets**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non Current</b>		
Other bank balances - balance held as margin money against guarantee*	1,116.85	1,050.94
<b>Total</b>	<b>1,116.85</b>	<b>1,050.94</b>
<b>(b) Current</b>		
Interest accrued on deposits	185.15	88.76
Other bank balances - balance held as margin money against guarantee*	135.66	89.54
<b>Total</b>	<b>320.81</b>	<b>178.30</b>

\* Margin for bank guarantees and others

**Note 9 - Income tax assets (net)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Tax Assets</b>		
Advance tax including TDS receivables and TDS refund	2.95	2.95
<b>Total</b>	<b>2.95</b>	<b>2.95</b>

**Note 10 - Other assets**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non Current</b>		
<b>Capital advances</b>		
Unsecured, considered good	2,273.48	515.06
Doubtful	11.89	11.89
	2,285.37	526.95
Less: Provision for doubtful capital advances	(11.89)	(11.89)
	2,273.48	515.06
Advances to brand franchisee	-	50.00
Goods and Services Tax deposited under protest (Refer Note 48)	1,989.97	-
Prepaid expenses	113.81	42.38
<b>Total</b>	<b>4,377.26</b>	<b>607.44</b>
<b>(b) Current</b>		
<b>Advances to vendors</b>		
434.34	434.34	140.36
Less: Provision for doubtful advances to vendors	(56.41)	(56.02)
	377.93	84.34
Amount recoverable from customer	125.01	125.01
Less : Provision for amount recoverable from customer	(125.01)	(125.01)
	-	-
Advances to brand franchisee	50.00	-
Balance with government authorities *	3,837.31	470.04
Prepaid expenses	645.86	676.91
<b>Total</b>	<b>4,911.10</b>	<b>1,231.29</b>

\* includes Excise duty paid in advance, GST receivable and other receivable.

**Note 11 - Inventories\*****(valued at lower of cost and net realisable value)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Raw materials	830.43	1,097.58
(b) Work in progress	415.23	262.80
(c) Finished goods**	5,831.53	6,571.27
(d) Packing material	830.59	515.90
(e) Fuel, Chemicals, Stores and spares	1,613.68	1,338.26
<b>Total</b>	<b>9,521.46</b>	<b>9,785.81</b>

\* For parri passu charge against Inventories refer note 15 (a) &amp; 15(b).

\*\* Finished Goods include Stock in transit of ₹ 29.93 Lacs (March 31, 2020 Rs. Nil)

The mode of valuation of inventories has been stated in note 1.3 (IX).

**Note 12 - Trade receivables\***

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Trade receivables considered good- Secured	-	-
Trade receivables considered good- Unsecured	8,437.65	2,928.04
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	26.05	0.41
	8,463.70	2,928.45
Less: Loss Allowance	(26.05)	(0.41)
<b>Total</b>	<b>8,437.65</b>	<b>2,928.04</b>

\* For parri passu charge against trade receivables refer note 15 (a) &amp; 15(b).

(₹ in Lacs)

Age of Receivables	As at March 31, 2021	As at March 31, 2020
1-30 days past due	7,046.66	2,374.02
31-90 days past due	738.29	419.25
More than 90 days past due	678.76	135.18

Movement in the expected credit loss allowance	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year	0.41	374.53
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	26.05	(374.12)
Balance at the end of the year	<b>26.46</b>	<b>0.41</b>

Of the trade receivables balance as at the year end, the Company's largest customers who represents more than 10% of the total balance of trade receivables as at March 31, 2021 are as follows:

(₹ in Lacs)

Trade receivables	As at March 31, 2021	As at March 31, 2020
Rajasthan State Ganganagar Sugar Mills Limited	2,964.04	949.51
United Spirits Limited	866.73	590.18
<b>Total</b>	<b>3,830.77</b>	<b>1,539.69</b>

**Note 13 - Cash and cash equivalents**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Cash and cash equivalents</b>		
Cash on hand	4.16	7.76
Balances with banks		
(i) In current accounts	174.31	668.38
(ii) Bank deposits	5,627.00	1,296.00
<b>Total (a)</b>	<b>5,805.47</b>	<b>1,972.14</b>
<b>(b) Bank balances other than (a) above</b>		
Other bank balances		
Unpaid dividend account	-	0.66
<b>Total (b)</b>	<b>-</b>	<b>0.66</b>



**Note 14 - Equity share capital**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)
<b>(a) Authorised</b>				
Equity shares of ₹ 10 each with voting rights	3,50,00,000	3,500.00	3,50,00,000	3,500.00
Cumulative compulsorily convertible preference shares (CCCPs) of ₹ 140 each	51,00,000	7,140.00	51,00,000	7,140.00
	<b>4,01,00,000</b>	<b>10,640.00</b>	<b>4,01,00,000</b>	<b>10,640.00</b>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each with voting rights	2,87,99,268	2,879.93	2,87,99,268	2,879.93
<b>Total</b>	<b>2,87,99,268</b>	<b>2,879.93</b>	<b>2,87,99,268</b>	<b>2,879.93</b>

**(a) Changes in equity share capital during the year :**

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)
<b>Equity shares with voting rights</b>				
Shares outstanding at the beginning of the year	2,87,99,268	2,879.93	2,87,99,268	2,879.93
Shares outstanding at the end of the year	<b>2,87,99,268</b>	<b>2,879.93</b>	<b>2,87,99,268</b>	<b>2,879.93</b>

**(b) Shareholder holding more than 5 percent shares :**

(₹ in Lacs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Fully paid equity shares with voting rights</b>				
Chandbagh Investments Limited	1,12,09,140	38.92%	1,12,09,140	38.92%
Templeton Strategic Emerging Markets Fund IV	49,70,766	17.26%	50,38,168	17.49%
Mr. Ajay Kumar Swarup	19,24,254	6.68%	19,24,254	6.68%

**Rights, preferences and restrictions on equity shares:**

The Company has one class of equity shares having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the 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, in proportion to their shareholding.

**(c) Other Equity**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Securities Premium	14,894.92	14,894.92
General Reserve	1,415.65	1,415.65
Retained Earnings	39,235.24	27,741.56
Other Comprehensive Income	6.60	(43.99)
	<b>55,552.41</b>	<b>44,008.14</b>

**(i) Securities Premium :** Securities Premium consists of premium on issue of shares.

**(ii) General Reserve :** General Reserve was created by transfer of Surplus in Statement of profit and loss.

**Note 15 (a) - Non - current financial liabilities - Borrowings (at amortised cost)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
<b>(a) Term loans</b> * (refer note (i) below)		
from banks	10,670.49	13,278.97
<b>Total</b>	<b>10,670.49</b>	<b>13,278.97</b>

\* There has been no breach of financial covenants mentioned in the loan agreements during the reporting periods.

Notes :-

(i) Term loan from HDFC Bank of ₹ 1,558.01 Lacs (March 31, 2020 ₹ 2,027.81 Lacs) is secured by first pari passu charge on all movable fixed assets of the Company and equitable mortgage of factory land & building of both the plants at Behror and Samalkha and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited. The loans carry interest ranging from 9% p.a to 11% p.a.

Repayment term :- ₹ 25.00 Lacs repayable in 1 quarterly installment of ₹ 25.00 Lacs each.

Repayment term :- ₹ 187.50 Lacs repayable in 5 quarterly installment of ₹ 37.50 Lacs each.

Repayment term :- ₹ 62.50 Lacs repayable in 5 quarterly installment of ₹ 12.50 Lacs each.

Repayment term :- ₹ 1,125.18 Lacs repayable in 12 quarterly installment of ₹ 87.86 Lacs each and last installment of ₹ 70.86 Lacs.

Repayment term :- ₹ 157.82 Lacs repayable in 13 quarterly installment of ₹ 12.14 Lacs each.

As per RBI circular no RBI/2019-20/220, Company has opted for moratorium during the year ended March 31, 2020. According to this, March 2020 month principle amount of ₹ 100.00 Lacs has been paid in June 2020. Interest has continued to accrue on the outstanding portion of the term loans during the moratorium period.

"Term loan from Standard Chartered Bank ₹ NIL (March 31, 2020 ₹ 3,587.21 Lacs), secured by first pari passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited.

These term loans have been taken over by HDFC Bank in December, 2020.

Term loan from HDFC Bank of ₹ 2,818.52 Lacs (March 31, 2020 ₹ Nil) carrying interest rate of 8% p.a., secured by first pari passu charge on all movable and immovable assets of the company."

Repayment term :- ₹ 2,406.25 Lacs repayable in 11 quarterly installment of ₹ 218.75 Lacs each.

Repayment term :- ₹ 412.27 Lacs repayable in 11 quarterly installment of ₹ 37.48 Lacs each.

Term loan from SVC Co-operative Bank Limited of ₹ 2,776.74 Lacs. (Outstanding as on March 31, 2020 4,000.00 Lacs) is secured by first pari passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited. The loan carries interest of 8.90% p.a.

Repayment term :- ₹ 2,335.20 Lacs repayable in 21 monthly installment of ₹ 111.20 Lacs each.

Repayment term :- ₹ 332.70 Lacs repayable in 3 monthly installment of ₹ 110.90 Lacs each.

Repayment term :- ₹ 108.84 Lacs repayable at once in July, 2023.

Term loan from Axis Bank of ₹ 6,356.23 Lacs (March 31, 2021 is ₹ 7,706.24 Lacs) is secured by first pari passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited. The loans carry interest ranging from 8% p.a to 10.45% p.a.

Repayment term :- ₹ 3,990.00 Lacs repayable in 7 quarterly installments of ₹ 570.00 Lacs each.

Repayment term :- ₹ 2,090.00 Lacs repayable in 4 quarterly installments of ₹ 522.50 Lacs each.

Repayment term :- ₹ 210.00 Lacs repayable in 7 quarterly instalments of ₹ 30.00 Lacs each.

Repayment term :- ₹ 55.00 Lacs in 2 equal quarterly installments of ₹ 27.50 each

Repayment term :- ₹ 11.23 Lacs in 1 quarterly instalment in December, 2023.

As per RBI circular no RBI/2019-20/220, Company has opted for moratorium during the year ended March 31, 2020. According to this, March 2020 month principle amount of ₹ 250.00 Lacs has been paid in June 2020. Interest has continued to accrue on the outstanding portion of the term loans during the moratorium period.

Term Loan from Axis bank ₹ 1,646.00 Lacs (March 31, 2020 Rs. NIL), obtained on March 11, 2021, secured by first pari passu charge on all movable and immovable assets of the company. The loan carries interest of 7.40%.

Repayment term :- ₹ 1,646.00 Lacs in 48 equal quarterly installments of ₹ 34.29 Lacs each .

**Note 15 (b) - Current financial liabilities - Borrowings (at amortised cost)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured borrowings</b>		
Indian currency cash credit*	2,471.91	110.49
Overdraft **	256.41	337.09
<b>Total</b>	<b>2,728.32</b>	<b>447.58</b>

- Indian currency cash credit includes cash credit of ₹ 2,471.91 Lacs (March 31, 2020 ₹ 110.49 Lacs) which is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debt and second pari passu charge by way of extension of charge on all the fixed assets of the Company including equitable mortgage of factory land & building at Behror and Samalkha.

\*\* Overdraft of ₹ 256.41 Lacs is hypothecated against fixed deposits from Axis Bank (March 31, 2020 ₹ 337.09 Lacs) carrying interest rate in range of 5.67% to 8.13% p.a (March 31, 2020 interest rate in the range of 7.75% to 8.55% p.a).

**Note 16 - Lease liability**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non current</b>		
Lease liability on motor vehicles	84.71	105.86
Other lease liability	481.26	33.41
	<b>565.97</b>	<b>139.27</b>
<b>(b) Current</b>		
Lease liability on motor vehicles	71.71	59.69
Other lease liability	174.72	70.80
<b>Total</b>	<b>246.43</b>	<b>130.49</b>

\* Refer Note 38

**Note 17 - Provisions**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non-current</b>		
Provision for gratuity (refer note 42)	296.93	272.72
<b>Total</b>	<b>296.93</b>	<b>272.72</b>
<b>(b) Current</b>		
Provision for gratuity (refer note 42)	149.03	115.89
Other provisions	512.08	402.27
<b>Total</b>	<b>661.11</b>	<b>518.16</b>

(₹ in Lacs)

Other provisions	Provision against customer contracts
<b>Balance at April 1, 2019</b>	<b>66.14</b>
Provision made during the year	336.13
Provision written back/ utilised during the year	-
<b>Balance at March 31, 2020</b>	<b>402.27</b>
<b>Balance at April 1, 2020</b>	<b>402.27</b>
Provision made during the year	109.81
Provision written back/ utilised during the year	-
<b>Balance at March 31, 2021</b>	<b>512.08</b>

**Note 18 - Deferred tax (liabilities)/ assets (net)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	3,162.79	5,000.22
Deferred tax liabilities	(8,410.35)	(7,826.55)
<b>Total</b>	<b>(5,247.55)</b>	<b>(2,826.34)</b>
<b>Tax effect of items constituting deferred tax assets</b>		
MAT credit entitlement	2,648.59	4,752.54
Provision for employee benefits	186.36	190.88
Provision for doubtful debts and advances	41.88	32.78
Others	285.96	24.02
<b>Total</b>	<b>3,162.79</b>	<b>5,000.22</b>
<b>Tax effect of items constituting deferred tax liability</b>		
Property plant & equipment	8,410.35	7,826.55
<b>Total</b>	<b>8,410.35</b>	<b>7,826.55</b>
<b>Deferred tax (liabilities)/ assets (net)</b>	<b>(5,247.55)</b>	<b>(2,826.34)</b>

The MAT Credit entitlement as at 31 March 2021 is valid upto financial ranging from year ending March 31, 2027 to March 31, 2036

**Note 19 - Other liabilities**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Non current</b>		
Subsidy received from ministry of new and renewable energy	52.80	68.00
Import duty grants	151.21	158.52
	<b>204.01</b>	<b>226.52</b>
<b>(b) Current</b>		
Advances from customers	1,118.22	1,304.79
Subsidy received from ministry of new and renewable energy	15.20	15.20
Statutory liabilities	2,034.93	631.23
Other liabilities	11.07	10.64
<b>Total</b>	<b>3,179.42</b>	<b>1,961.86</b>

**Note 20 - Trade payables**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Outstanding dues to Micro, Small and Medium Enterprises (Refer note 34)	125.85	24.41
Outstanding dues to parties other than Micro, Small and Medium Enterprises	11,628.87	10,546.36
<b>Total</b>	<b>11,754.72</b>	<b>10,570.77</b>

**Note 21 - Other financial liabilities**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Security deposits from customers	49.54	69.08
Payables towards purchase of fixed assets	111.03	371.98
Current maturities of long-term borrowings from banks	4,485.01	4,042.29
Interest accrued but not due on borrowings	66.03	33.01
Other financial liabilities	-	2.70
<b>Total</b>	<b>4,711.61</b>	<b>4,519.06</b>

**Note 22 - Current tax liabilities (net)**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Current tax liabilities</b>		
Provision for taxation (net of advance tax including TDS receivable of Rs. 3,363.94 Lacs) (March 31, 2020 Rs. 1,204.32 Lacs)	313.70	68.70
<b>Total</b>	<b>313.70</b>	<b>68.70</b>

**Note 23 - Revenue from operations**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Revenue from Contract with customers</b>		
<b>(a) Sale of goods</b> (including excise duty of ₹ 43,525.48 Lacs for the year ended March 31, 2021 and ₹ 9,146.94 Lacs for the year ended March 31, 2020)	164,232.67	123,343.76
<b>(b) Rendering of services</b> Bottling Charges and Cleaning Charges	1,794.48	2,067.53
<b>Other operating Revenue</b>		
(a) Duty drawback and other export incentives	50.18	39.23
<b>Total</b>	<b>166,077.33</b>	<b>125,450.52</b>

**Note:**

The company derives revenue from contracts with customers, which has been disaggregated on the basis of major product lines into Industrial alcohol contributing ₹ 54,549.11 Lacs and Indian Made Indian Liquor contributing ₹ 51,366.57 Lacs (net of discount) to the revenue from operations.

**Note 24 - Other income**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Interest income</b> Interest income earned on financial assets that are not designated as at Fair value through profit or loss : On financial assets carried at amortised cost	431.76	264.63
<b>(b) Other non-operating income</b>		
(a) Net foreign exchange gain	28.80	15.76
(b) Income on EPCG and duty grants on property plant & equipment	7.31	92.38
(c) Others	285.61	110.15
<b>Total</b>	<b>753.48</b>	<b>482.92</b>

**Note 25 - Cost of materials consumed**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Raw materials and packing materials</b>		
Opening stock	1,613.48	1,638.41
Add: Opening work in progress	262.80	394.59
Add: Purchases	64,357.28	73,686.48
	<b>66,233.56</b>	<b>75,719.48</b>
Less: Closing stock	(1,661.02)	(1,613.48)
Less :Closing work in progress	(415.23)	(262.80)
<b>Total</b>	<b>64,157.31</b>	<b>73,843.19</b>

**Note 26 - Changes in inventory of finished goods**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Add: Opening stock</b>		
Finished goods	6,571.27	3,997.78
<b>Less: Closing stock</b>		
Finished goods	5,831.53	6,571.27
<b>Total</b>	<b>739.74</b>	<b>(2,573.49)</b>

**Note 27- Excise Duty**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Excise duty on sale of goods	43,525.48	9,146.94
<b>Total</b>	<b>43,525.48</b>	<b>9,146.94</b>

**Note 28 - Employee benefits expense**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages, including bonus	3,341.93	2,902.73
Contribution to provident funds & other funds	126.21	115.40
Gratuity expenses	78.04	65.75
Staff welfare expenses	31.92	27.46
<b>Total</b>	<b>3,578.10</b>	<b>3,111.34</b>

**Note 29 - Finance cost**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest expense on		
Interest on term loan	1,594.00	2,069.64
Interest on working capital	114.87	118.16
Interest expense on lease liability	71.09	26.11
(b) Other borrowing costs:		
Bank charges	101.45	138.51
<b>Total</b>	<b>1,881.40</b>	<b>2,352.42</b>

**Note 30 - Depreciation and amortisation expenses**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation for the year	3,764.65	3,634.42
Amortisation of intangible assets for the year	20.43	-
Amortisation of right of use assets for the year	264.86	151.54
<b>Total</b>	<b>4,049.94</b>	<b>3,785.96</b>

**Note 31 - Other expenses**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Consumption of lab chemicals and enzymes	815.81	2,696.06
Increase / (decrease) of excise duty on inventory	711.94	222.95
Power and fuel	11,521.55	11,504.75
Bottling expenses/fees	6,440.17	6,678.66
Excise license, establishment and supervision fees	824.59	711.34
Security expenses	201.20	198.89
Effluent disposal	74.07	72.72
Flour and pet coke feeding	594.37	443.53
Rent including lease rentals	350.21	291.52
Repairs and maintenance - buildings	162.48	140.15
Repairs and maintenance - machinery	1,745.37	1,540.45
Repairs and maintenance - others	193.09	97.74
Insurance	175.71	126.09
Rates and taxes	60.97	40.63
Communication	36.89	39.30
Travelling and conveyance	200.66	266.04
Printing and stationery	21.72	19.66
Freight and handling charges	2,856.92	2,423.82
Business promotion and marketing	201.68	306.14
Donations and contributions	20.45	2.84
Legal and professional	281.74	149.84
Payments to auditors (refer note 37)	61.45	54.33
Liquidation damages	-	127.95
Subscription books & periodicals	49.99	36.80
Director's sitting fee	9.25	7.46
Credit impaired trade and other receivables, loans and advances written off	0.46	15.13
Loss allowance on credit impaired trade receivables and advances	26.05	200.39
Expenditure on corporate social responsibility (refer note 35)	85.29	30.00
Miscellaneous expenses	96.07	170.51
<b>Total</b>	<b>27,820.15</b>	<b>28,615.69</b>

**Note 32 - Tax expense**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>(a) Current tax</b>		
Current tax expense	3,677.65	1,273.02
	<b>3,677.65</b>	<b>1,273.02</b>
<b>(b) Deferred tax charge / (credit)</b>		
In respect of current year	313.72	1,347.60
MAT credit utilisation (entitlement)*	2,103.94	(912.50)
	<b>2,417.67</b>	<b>435.10</b>
<b>(c) Tax adjustments related to earlier years</b>		
Current tax expense	-	12.06
	-	12.06
Income tax recognised in profit and loss	6,095.31	1,720.18
The income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax exceptional items and tax	21,078.69	7,651.39
Income tax expense calculated at 34.944% (PY 34.944%)	7,365.74	2,673.70
Effect of items that are not deductible in determining taxable profit	40.18	17.23
Tax adjustments related to earlier years	-	12.06
Effect of tax benefit on exempted income	(1,316.67)	(980.61)
Others	6.07	(2.21)
	<b>6,095.32</b>	<b>1,720.17</b>
<b>(d) Income tax recognised in other comprehensive income (OCI)</b>		
Measurement of defined benefit liabilities	10.15	(67.62)
Tax adjustment in respect of remeasurement of defined benefit liabilities	(3.55)	23.63
	<b>(3.55)</b>	<b>23.63</b>

\* Income tax expense for the year ended March 31, 2021 and year ended March 31, 2020 includes MAT credit utilisation/ (entitlement) amounting to ₹ 2,103.94 Lacs and ₹ (912.50) Lacs respectively.

On September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 01, 2019 subject to certain conditions. The Company has exercised its option to continue with existing tax rate (presently 34.944%) structure.

**Note 33 - Contingent liabilities and commitments**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(a) Contingent liabilities*</b>		
Claims against the company not acknowledged as debts		
Excise duty matters	180.81	180.81
Income tax matters	196.61	-
Goods and Services tax matters**	2,294.89	-
Sales tax matter***	1,849.05	409.50
Guarantees by bank on behalf of Company****	60.00	60.00
	<b>4,581.36</b>	<b>650.31</b>
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	4,290.38	747.17
<b>Total</b>	<b>8,871.74</b>	<b>1,397.48</b>

**Note:**

Based on the legal opinion obtained by the management and inspections carried out by the PF authorities for the FY 2014-2019, at one of the manufacturing locations of the Company, the management is of the view that the recent Supreme Court order dismissing the review petition filed by M/s Surya Roshni Limited, is not likely to have material impact on the Company for the purpose of determining contribution to provident fund under the Employees Provident Fund & Miscellaneous Provisions Act, 1952.

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

\* The above disclosure excludes an amount of ₹ 324.68 Lacs, wherein the demand is in respect of sales made by the company on behalf of its brand franchisees, and contractually, these brand franchisees are required to reimburse the company for the liability, if any.

\*\* Goods and Services tax matters include Goods and Services Tax amounting to ₹ 1,989.97 Lacs deposited under protest (Refer Note 48).

\*\*\* Sales tax matter include demand for Value Added tax amounting to ₹ 1,060.77 Lacs on account of issue regarding classification of one of the item sold by the Company.

\*\*\*\* Guarantees by bank on behalf of company as on March 31, 2021 are excluding performance guarantees amounting to ₹ 540.61 Lacs.

The Company has investment of ₹ 2,795.78 Lacs in and has given advance of ₹ 1,490.15 Lacs to its subsidiary Unibev Limited ('Unibev'). Unibev has accumulated losses of ₹ 3,108.83 Lacs. As Unibev is into expansion stage, the Company has confirmed to continue to provide requisite financial and operational support to Unibev for its continued operations as and when required.



**Note 34 - Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Further no interest has been paid under the terms of MSMED Act, 2006. Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of the year	125.85	24.41
Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the year	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

**Note 35 - Corporate social responsibility expenditure**

Gross amount required to be spent by the Company during the year ₹ 85.29 Lacs (March 31, 2020 : ₹ 44.85 Lacs)

(₹ in Lacs)

Amount spent during the year on:	As at March 31, 2021	As at March 31, 2020
<b>(i) Construction / acquisition of any asset</b>		
- in cash	-	-
- yet to be paid in cash	-	-
<b>(ii) On purpose other than above</b>		
- in cash	85.29	30.00
- yet to be paid in cash	-	-
	85.29	30.00
Unspent amount	-	14.85
<b>Total</b>	<b>85.29</b>	<b>44.85</b>

**Note 36 - Earnings per share**

(₹ in Lacs)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year attributable to equity shares	Rs. in Lacs	11,825.64	5,931.21
Weighted average number of equity shares outstanding	Numbers	28,799,268	28,799,268
Basic earnings per share (face value - ₹ 10 per share)	Rupees	41.06	20.60
Diluted earnings per share (face value - ₹ 10 per share)	Rupees	41.06	20.60

**Note 37 - Auditors' remuneration (excluding taxes)**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Services as statutory auditors		
For Statutory Audit	34.00	29.00
For Limited Review	21.00	15.00
Other services		
For Certification	6.00	8.00
Reimbursement of out-of-pocket expenses	0.45	2.33
<b>Total</b>	<b>61.45</b>	<b>54.33</b>

### Note 38 : Leases

The Company leases land, offices, and motor vehicles. Rental contracts are typically made for fixed periods of 3 to 8 years, but may have extension options. Land has a lease term of 99 years.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 01, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard recognized on the date of initial application (April 01, 2019).

On adoption of Ind AS 116, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of April 01, 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on April 01, 2019 was 11%.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of Ind AS 116 are only applied after that date.

#### Practical expedients applied

In applying Ind AS 116 for the first time, the Company has used the practical expedients permitted by the standard:

- i applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- ii relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review - there were no onerous contracts as at April 01, 2019.
- iii accounting for operating leases with a remaining lease term of less than 12 months as at April 01, 2019 as short-term leases
- iv excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- v using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

#### Measurement of right-of-use assets

The associated right-of-use assets for property leases were measured on a modified retrospective basis with ROU assets equal to lease liability on the date of transition.

#### Adjustments recognised in the balance sheet on April 01, 2019

The implementation of Ind AS 116 has resulted in recognizing a lease liability of ₹ 101.35 lakhs and 'Right to Use' (RoU) assets of ₹ 228.37 lakhs (including prepaid portion of interest free security deposit) as at April 01, 2019. Further, in respect of leasehold land which were classified as operating leases applying Ind AS 17, an amount of ₹ 1,006.47 lakhs has been reclassified from other current / non-current assets to RoU assets, and in respect of Motor Vehicle leases that were classified as finance leases applying Ind AS 17, an amount of ₹ 180.56 lakhs has been reclassified from property, plant and equipment to RoU assets.

#### The changes to RoU assets for the year ended March 31, 2021 are as follows:

Particulars	₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
Right-of-use assets		
Land lease	1,273.62	995.75
Motor Vehicle leases	275.36	279.91
Building leases	657.94	180.15
<b>Total</b>	<b>2,206.92</b>	<b>1,455.81</b>

Note:-

Additions to the RoU assets during the current financial year are ₹ 1,132.20 Lacs.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liabilities		
Current	246.43	130.49
Non-current	565.97	139.27
<b>Total</b>	<b>812.40</b>	<b>269.76</b>

**Note:-**

The weighted average discount rate applied to lease liabilities as at April 1, 2020 is 8.00% for the remaining lease term.

**Amounts recognised in the statement of profit and loss**

The statement of profit or loss shows the following amounts relating to leases:

(₹ in Lacs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
<b>Depreciation charge on right-of-use assets</b>			
Land leases		13.67	10.72
Building leases	30	214.85	101.72
Motor vehicles leases		36.34	39.10
<b>Total</b>		<b>264.86</b>	<b>151.54</b>

(₹ in Lacs)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Interest expense (included in finance costs)	29	71.09	26.11

The total cash outflow for leases for the year ended March 31, 2021 was INR 268.48 Lacs.

Rent expense recorded for short-term leases was ₹ 350.21 Lacs for the year ended March 31, 2021.

The details of contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows:

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
1. Payable not later than 1 year	267.01	142.96
2. Payable later than 1 year and not later than 5 years	661.50	156.69
<b>Total</b>	<b>928.51</b>	<b>299.65</b>

**Extension and termination options**

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

**Note 39 - Financial instruments by categories**

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.

(₹ in Lacs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>						
Investments *						
- Equity investments	-	-	-	-	-	-
Trade receivables	8,437.65	-	-	2,928.04	-	-
Loans	1,839.92	-	-	1,520.74	-	-
Cash and cash equivalents	5,805.47	-	-	1,972.14	-	-
Other bank balances	-	-	-	0.66	-	-
Other financial assets	1,437.66	-	-	1,229.24	-	-
<b>Total financial assets</b>	<b>17,520.69</b>	<b>-</b>	<b>-</b>	<b>7,650.82</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>						
Borrowings	13,398.81	-	-	13,726.55	-	-
Trade payables	11,754.72	-	-	10,570.77	-	-
Other financial liability	4,711.61	-	-	4,519.06	-	-
Lease liability	812.40	-	-	269.76	-	-
<b>Total financial liabilities</b>	<b>30,677.55</b>	<b>-</b>	<b>-</b>	<b>29,086.14</b>	<b>-</b>	<b>-</b>

Note: Investment value excludes investment in subsidiaries of ₹ Nil (₹ 2,744.63 Lacs as at March 31, 2020) which are shown at cost (net of provision for impairment) in balance sheet as per Ind AS 27 "Separate Financial Statements". Refer Note 6.1.

**Note 40 - Capital management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

For the purpose of the Company's capital management, capital includes equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Company Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital.

**Gearing Ratio**

(₹ in Lacs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Non current borrowings	<b>15 (a)</b>	10,670.49	13,278.97
Current maturities of non current borrowings	<b>21</b>	4,485.01	4,042.29
Current borrowings	<b>15 (b)</b>	2,728.32	447.58
Less : Cash and cash equivalents	<b>13(a)</b>	5,805.47	1,972.14
Less : Other bank balance	<b>13(b)</b>	-	0.66
<b>Net Debt (a)</b>		<b>12,078.35</b>	<b>15,796.04</b>
Equity share capital	<b>14</b>	2,879.93	2,879.93
Other Equity	<b>SOCE</b>	55,552.41	44,008.15
<b>Total Capital (b)</b>		<b>58,432.33</b>	<b>46,888.08</b>
<b>Gearing Ratio (a/b)</b>		<b>20.67%</b>	<b>33.69%</b>

## Note 41 - Financial risk management

The Company is exposed to various financial risks arising from underlying operations and finance activities. The Company is primarily exposed to credit risk, liquidity risk and market risk.

Financial risk management within the Company is governed by policies and guidelines approved by the senior management and board of directors. These policies and guidelines cover foreign currency risk, credit risk and liquidity risk.

### (a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company if the counterparty defaults on its obligations.

The Company is exposed to credit risk from its operating activities, primarily trade receivables.

To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

The Company also makes general provision for lifetime expected credit loss based on its previous experience of write off in previous years.

The movement in credit loss allowance is as under:

		(₹ in Lacs)
Particulars		Trade receivables
<b>Opening balance</b>		0.41
<b>Loss Allowances-</b>		
Trade Receivables - credit impaired		26.05
Trade Receivables which have significant increase in credit risk		-
Written off during the year		-
<b>Balance at the End</b>		<b>26.46</b>

### (b) Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

		(₹ in Lacs)	
Particulars		As at March 31, 2021	As at March 31, 2020
Total committed working capital limits from Banks		<b>6,700.00</b>	<b>4,700.00</b>
Utilized working capital limit		2,728.32	447.58
Unutilized working capital limit		3,971.68	4,252.42

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

		(₹ in Lacs)			
Particulars		Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
<b>As at March 31, 2021</b>					
Non-derivatives					
Borrowing *		7,213.33	10,670.49	-	<b>17,883.82</b>
Trade payable		11,754.73	-	-	<b>11,754.73</b>
Other financial liabilities		226.60	-	-	<b>226.60</b>
Lease Liability		246.43	565.97	-	<b>812.40</b>
<b>Total non-derivatives liabilities</b>		<b>19,441.09</b>	<b>11,236.46</b>	-	<b>30,677.55</b>
<b>As at March 31, 2020</b>					
Non-derivatives					
Borrowing *		4,489.87	13,278.97	-	<b>17,768.84</b>
Trade payable		10,570.77	-	-	<b>10,570.77</b>
Other financial liabilities		476.77	-	-	<b>476.77</b>
Lease Liability		130.49	139.27	-	<b>269.76</b>
<b>Total non-derivatives liabilities</b>		<b>15,667.90</b>	<b>13,418.24</b>	-	<b>29,086.14</b>

\* Excludes utilized working capital limit disclosed above under liquidity risk management.

### (c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprise of three types of risk i.e interest rate risk, foreign currency risk and other price risk.

Financial instruments affected by market risk include trade receivables and advances.

The Company enters into derivative contracts to manage its exposure to foreign currency risk.

### Foreign Currency risk management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period demoninated in Rupees are as follows :

(₹ in Lacs)

Particulars	Assets		Liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD	123.27	-	86.80	261.52
<b>Total</b>	<b>123.27</b>	<b>-</b>	<b>86.80</b>	<b>261.52</b>

Foreign currency sensitivity analysis

The Company is mainly exposed to USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupee against the foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary item as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number indicates an increase in profit before tax or vise-versa.

(₹ in Lacs)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	strengthenens by 1%	weakens by 1%	strengthenens by 1%	weakens by 1%
Impact on profit / (loss) for the year *				
USD	0.36	(0.36)	(2.62)	2.62

\* Holding all other variable constant

Forward foreign exchange contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business. The Company manages its foreign currency risk by hedging transactions that are expected to occur within of 2 to 3 months for hedges of forecasted sales. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivatives contracts outstanding at the end of the reporting period :

Outstanding Contracts	No of deals		Foreign Currency ( FCY (\$) Lacs )		Nominal Amount (₹ Lacs )	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD/INR buy forward	-	7	-	9.21	-	688.29

\* Sensitivity on the above derivatives contracts in respect of foreign currency exposure is insignificant

## Note 42 - Employee benefits plans

### Defined benefits plans

Gratuity scheme - The Company makes contributions for gratuity for qualifying employees. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment.

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
<b>Movement in the present value of defined benefit obligation (A)</b>		
1. Present value of obligation as at the beginning of the year	388.61	270.34
2. Current service cost	51.66	45.08
3. Past service cost	-	-
4. Interest cost	26.39	20.68
5. Actuarial (gain) / losses arising from change in Demographic Assumption	-	0.23
6. Actuarial (gain) / losses arising from change in Financial Assumption	(0.32)	73.73
7. Actuarial (gain) / losses arising from change in Experience Adjustments	(9.83)	(6.34)
8. Benefits paid	(10.54)	(15.11)
<b>9. Present value of obligation as at the end of the year</b>	<b>445.96</b>	<b>388.61</b>
<b>Liability recognized in the financial statement (A-B)</b>	<b>445.96</b>	<b>388.61</b>
<b>Main actuarial assumption</b>		
Discount rate	6.80%	6.79%
Expected rate of increase in compensation levels	8.00%	8.00%
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-		
Age upto 30 years	3.00%	3.00%
Age from 31 to 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Retirement age (years)	58	58

### Maturity profile of defined benefit obligation

(₹ in Lacs)

Year	Gratuity Amount
0 to 1 year	149.02
1 to 2 year	20.52
2 to 3 year	12.42
3 to 4 year	8.40
4 to 5 year	15.55
5 to 6 year	14.59
6 year onwards	223.67

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
<b>Cost for the period</b>		
1. Current service cost	51.66	45.08
2. Past service cost	-	-
3. Net interest cost	26.39	20.68
<b>Total amount recognised in profit or loss</b>	<b>78.04</b>	<b>65.76</b>
<b>Re-measurements recognised in Other comprehensive income</b>		
1. Actuarial (gain) / losses arising from change in demographic assumption	-	0.23
2. Actuarial (gain) / losses arising from change in financial assumptions	(0.32)	73.73
3. Actuarial (gain) / losses arising from change in experience adjustments	(9.83)	(6.34)
<b>Total re-measurements included in Other Comprehensive Income</b>	<b>(10.15)</b>	<b>67.62</b>
<b>Total amount recognised in statement of profit and loss</b>	<b>67.89</b>	<b>133.38</b>

### Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

		(₹ in Lacs)
Particulars		Gratuity
<b>a) Impact of the change in discount rate *</b>		
Present value of Obligation at the end of the year		445.96
i). Impact due to increase of 0.50%		(16.00)
ii). Impact due to decrease of 0.50%		17.43
		-
<b>b) Impact of the change in salary increase *</b>		
Present value of Obligation at the end of the year		445.96
i). Impact due to increase of 0.50%		16.65
ii). Impact due to decrease of 0.50%		(15.44)

\* Holding all other variable constant

### Defined contribution Plans

The Company makes contribution towards employees' provident fund and employees' deposit linked insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :

			(₹ in Lacs)
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	
Company's contribution to provident and pension fund	126.21	115.40	
<b>Total</b>	<b>126.21</b>	<b>115.40</b>	

### Note 43 - Segment reporting

The Company is engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), Ethanol, Bulk Alcohol and Franchise Bottling. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment.

### Note 44 - Information about major customer

			(₹ in Lacs)
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	
Sale to Rajasthan State Ganganagar Sugar Mills Limited	69,746.60	36,712.76	
<b>Total</b>	<b>69,746.60</b>	<b>36,712.76</b>	

No other single customer contributed 10% or more to the company's revenue during financial year 2020-21 and 2019-20.

### Note 45 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

#### Subsidiaries:

Unibev Limited

#### Key management personnel and their relatives :

Mr. Ajay Kumar Swarup ,Managing Director  
Mr. Shekhar Swarup , Joint Managing director  
Dr. Bhaskar Roy, Executive Director, Chief Operating Officer and Chief Financial Officer (w.e.f. November 09, 2020 )  
Mr. Manik Lal Dutta, Executive Director  
Mr. Ajay Goyal, Chief Financial Officer (ceased to exist w.e.f September 30, 2020)  
Mr. Santosh Kumar Pattanayak , Company Secretary

#### Enterprises over which key management personnel and / or their relatives exercise significant influence :

Biotech India Limited  
GRAS education and training Services Private Limited  
Himalayan Spirits Limited  
Globus Spirits (Jharkhand) Limited  
Globus Trois Freres India Limited  
V C technologies Private Limited  
Northern India Alcohol Sales Private Limited  
Rajasthan Distilleries Private Limited  
ADL Agrotech Limited (Formerly known as Associated Distilleries Limited)  
Rambagh facility services LLP  
India Paryavaran Sahayak Foundation



**(i) Transactions with related parties :**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Rent &amp; Maintenance paid</b>		
Rajasthan Distilleries Private Limited	83.72	82.53
Biotech India Limited	74.05	66.19
ADL Agrotech Limited	72.00	6.00
Rambagh facility service LLP	52.80	24.00
<b>Security deposit given</b>		
Rajasthan Distilleries Pvt Ltd	-	38.05
Rambagh Facility Services LLP	-	12.00
Biotech India Limited	4.14	30.52
<b>Loan given</b>		
Unibev Limited	657.97	1,203.08
<b>Investment in Equity Shares #</b>		
Unibev Limited	51.15	2,250.00
<b>Interest income</b>		
Unibev Limited	97.91	110.39
<b>Provision for Investment</b>		
Unibev Limited	2,795.78	-
<b>Provision for doubtful loans</b>		
Unibev Limited	361.95	-
<b>Purchase/ (Sale) of assets</b>		
GRAS education and training Services Private Limited	1.70	8.20
<b>CSR amount paid</b>		
India Paryavaran Sahayak Foundation	40.00	30.00
GRAS education and training Services Private Limited	41.57	-
<b>Payments made on behalf of</b>		
GRAS education and training Services Private Limited	-	1.51

# includes conversion of loan of ₹ 2,250 Lacs into equity investment during the previous year March 31, 2020.

**Closing balances with related parties :**

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Security deposit given</b>		
ADL Agrotech Limited	341.74	464.94
Rajasthan Distilleries Pvt Ltd	38.05	38.05
Rambagh Facility Services LLP	12.00	12.00
Biotech India Ltd.	34.66	30.52
<b>Other receivable / (payable)</b>		
Globus Trois Freres India Limited	-	0.26
Himalayan Spirits Limited	-	-
Globus Spirits (Jharkhand) Limited	-	-
GRAS education and training Services Private Limited	(1.05)	1.70
<b>Loans and advances</b>		
Unibev Limited (Net of provision of ₹ 361.95 Lacs; previous year ₹ Nil) (for the purpose of promoting the business of subsidiary)	1,128.20	734.27
<b>Investment outstanding</b>		
Unibev Limited (commitment of financial support for the purpose of promoting the business of subsidiary- Refer Note 33 (c) )	2,795.78	2,744.63
Provision for Investment in Unibev Limited	(2,795.78)	-
India Paryavaran Sahayak Foundation	0.30	0.30

**(ii) Transactions with key managerial personnel and their relatives:**

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Managerial remuneration</b>		
Mr. Ajay Kumar Swarup	236.02	170.58
Mr. Shekhar Swarup	205.15	145.75
Dr. Bhaskar Roy	90.92	73.99
Mr. Manik Lal Dutta	59.76	48.19
Mr. Ajay Goyal	37.52	51.98
Mr. Santosh Kumar Pattanayak	17.90	16.15

**Note 46- Fair value hierarchy**

None of the company's financial assets are measured at fair value at the end of each reporting period.

**Note 47 Scheme of Amalgamation**

On March 12, 2020, the Board of Directors of Globus Spirits Limited ("Company") approved a Scheme of amalgamation ("the Scheme") between the Company and its subsidiary Unibev Limited ("transferor Company"), their respective shareholders and creditors subject to obtaining requisite regulatory and other approvals. The Scheme of amalgamation has been filed by the Company with the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Presently, the Company is in the process of seeking requisite approvals from National Company Law Tribunal (NCLT). NCLT vide its order dated April 27, 2021 has listed the matter for final hearing on July 22, 2021.

With effect from the Appointed Date, i.e. 1 April 2019, the Company shall stand amalgamated with transferor Company. All assets and liabilities and the entire business of the Transferor Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing be and stand transferred to and vested in Company, as a going concern so as to become, the undertaking of Company by virtue of and in the manner provided in the Scheme.

**Note 48 Goods and Services Tax deposited under protest**

In June, 2020, Directorate General of Goods and Services Tax (GST) Intelligence (DGGI) carried out search proceedings at various premises of the company; at factories and at head office. The Company has not received any claim/ demand notice from the Goods and Services Tax Department. Pursuant to the aforesaid search proceeding the Company has voluntarily deposited ₹ 1,989.97 Lacs under protest towards GST liability which may arise on account of issue regarding classification of one of the item sold by the Company for the period July, 2017 to December, 2020. The Company has filed writ petition before Hon'ble Delhi High Court on February 17, 2021 challenging the action of DGGI and seeking refund of amount deposited by the Company. The petition was heard by the Hon'ble High Court in February, 2021 and March, 2021, pursuant to which DGGI has filed its reply and the Company has filed its counter reply. The matter is pending disposal at Hon'ble High Court and the next hearing in the matter is scheduled on July 23, 2021. On the basis of legal opinion obtained, the Management is confident that ultimately no liability will devolve on the Company and the Company will be able to get refund of amount deposited from the Department.

**Note 49 Dividend paid/ proposed**

The Company has paid final dividend amount to ₹ 287.99 Lacs ( ₹ 1 per equity share (par value of ₹ 10 each)), basis the dividend declared by the board of directors in their meeting held on June 16, 2020. The payment was made post approval of the shareholders in the Annual General Meeting (AGM) of the Company. The dividend was paid on the 5th working day from the date of declaration of the final dividend by the shareholders in the AGM.

For the financial year 2020-21, the Board of Directors recommended a final dividend of ₹ 2 per equity share (par value of ₹ 10 each). This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the Company. The dividend will be paid on the 5th working day from the date of declaration of the final dividend to the shareholders. In view of COVID-19 the Company is working on an AGM date. The book closure date for the purpose of the payment of final dividend and AGM date will be announced in due course.

**Note 50 Code on Social Security, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**Note 51 Subsequent Events**

All events or transactions that have taken place between March 31, 2021 and date of signing of the financial statements and for which the Indian Accounting Standard 10 – 'Events after the Reporting Period' ("Ind AS 10") requires disclosure/adjustment are disclosed and/or adjusted in the financial Statements.

**Note 52 Approval of financial statements**

The standalone financial statements were approved for issue by the Board of Directors on June 14, 2021.

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

Ajay K. Swarup  
Managing Director  
DIN-00035194

Shekhar Swarup  
Joint Managing Director  
DIN-00445241

Bhaskar Roy  
Executive Director & CFO  
DIN-02805627

Santosh Kumar Pattanayak  
Company Secretary  
ACS-18721

Place : New Delhi

Date : June 14, 2021