



Globus Spirits

# ENabling Excellence

Globus Spirits Limited  
2022-23 Annual Report



# Contents

02	Corporate Information
24	Chairman's Message
25	Financial Highlights
26	Board's Report
38	Secretarial Audit Report
41	Management Discussion & Analysis
50	Report on Corporate Governance
64	CEO & CFO Certification
65	Business Responsibility & Sustainability Report
91	Auditor's Report on Financial Statements
100	Financial Statements
104	Notes Forming Part of the Financial Statements

# Corporate Information

## Chairman

Mr. Vivek Gupta  
(Non Executive & Independent Director)

## Managing Director

Mr. Ajay Kumar Swarup

## Joint Managing Director

Mr. Shekhar Swarup

## Executive Director

Dr. Bhaskar Roy

## Non-Executive Director

Mr. Ajay B Baliga

## Independent Directors

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

## Key Managerial Personnel

Mr. Santosh Kumar Pattanayak : Company Secretary  
Mr. Nilanjan Sarkar : 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, Kotak Mahindra 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,

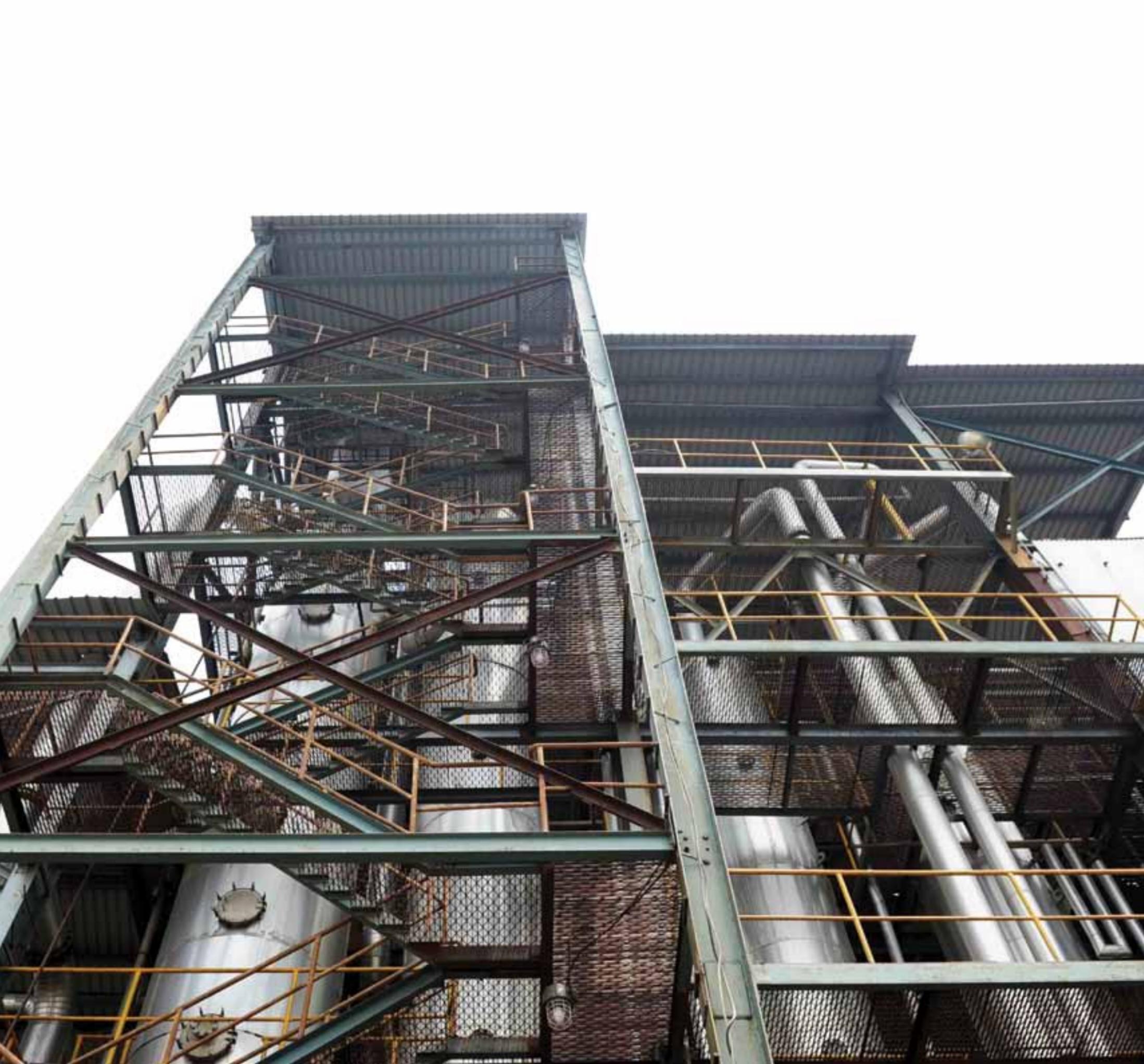
Vill: Duduha, Tehsil : Jandaha, Dist: Vaishali, Bihar

### Globus Spirits Limited,

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

### Globus Spirits Limited,

Vill : Olda, Block-Baharagora, Tehsil: Ghatshila,  
Dist:East Singhbhum, Jharkhand



# 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 ‘Value and Value Plus’ market and creating innovative ‘Premium’ 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

# ENAbiling 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 ENAbiling 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.

Ethanol will grow the company's top line due to the recent expansion in West Bengal and Jharkhand. The government's initiative of 20% blending of petrol in the country by 2025 has given us an opportunity.



# ENAbiling Marketing Excellence

It was a milestone year for us as the overall Premium volumes crossed 2 lakh cases in FY23.

We envisage becoming PAN India leaders in Premium alcohol, making the most of opportunities emerging in new markets.

Our premium segment is ENAbiling excellence by creating a disruption in the market with a robust portfolio of differentiated brands providing value propositions for consumers. The Company is focusing on growing this high-margin, low-volume fast-growing premium segment which has hitherto been dominated by a few selected brands. The sharp rise in discretionary spending, increasing number of aspiring consumers and lack of options for consumers make this category particularly attractive. Backed by an experienced team having a strong track record of creating successful brands, we are poised to leverage these trends.



### TERAI Dry Gin

TERAI India Dry Gin is an award-winning, one-shot, copper pot distilled London Dry style gin. This grain-to-glass gin is distilled at the India Craft Spirit Co., the first-of-its-kind boutique craft distillery in India, in Behror, Rajasthan.

The base of TERA I is a rice spirit, created to our specifications from our sister distillery, which gives us complete control over the quality of our gin.

11 select botanicals — Juniper berries, Tulsi or Holy Basil, Fennel, Coriander, Lemon peel, Orange peel, Lavender, Rose, Almond, Angelica and Orris root - add flavour and aroma and are represented in an embossed wreath on the TERA I label.

Together they create a distinctive lush, green herbaceous spirit with fresh citrus and a dry, delicate floral finish.



### Mountain Oak

Recently launched 'Mountain Oak' Whisky. An exclusive blend of Scotch malts and select Indian grain spirit.



### Snoski Vodka

A highly unique vodka crafted from alcohol distilled from the finest winter grains grown in the verdant environments of Himalayan Highlands. After a rigorous selection process, the grains are subject to the most advanced fermentation and multiple-stage distillation process to extract the purest form of alcohol for preparing the vodka.

This vodka is then passed through a select grade of activated charcoal made from coconut shell to ensure a smooth superior vodka that provides comfortable warmth and texture on the palate.

### Seventh Heaven Blue

Seventh Heaven Blue is a rare blend of aged premium scotch and finest Indian malts. Blended to perfection and rested to marry over time resulting in a smooth whisky. Each blend is duly approved and certified by our master blender.

Seventh Heaven Blue Ultra Premium Grain Whisky awakens your senses with a unique and exquisite palate experience.



**Governors' Reserve Blue**

Governors' Reserve Blue Blended with finest imported scotch malts and matured indian spirits. Iconic reserve whisky for personal collection.



**Governors' Reserve Red**

Presenting a unique expression of art by our master blender. This blend has been arrived after years of exploring combinations with the best scotch and malt whiskies across the world.

This unicorn of whiskies has a distinct personality and character. It is a perfectly balanced, light bodied whisky having an exceptional flavor and aroma. Governors Reserve is his tribute to the art of blending.



**"Oakton" Barrel Aged**

"Oakton" Meticulously handcrafted to perfection by our master blender and matured in oak barrels. Mellow, smooth and full-bodied ensuring a well-rounded palate experience and enjoyable peaty aroma



**Value & Value Plus**

Our product excellence has ENABLED us to pioneer branding in the Value and Value Plus space. 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. Endeavour has been to revolutionize the country liquor space with various offerings at different price points.



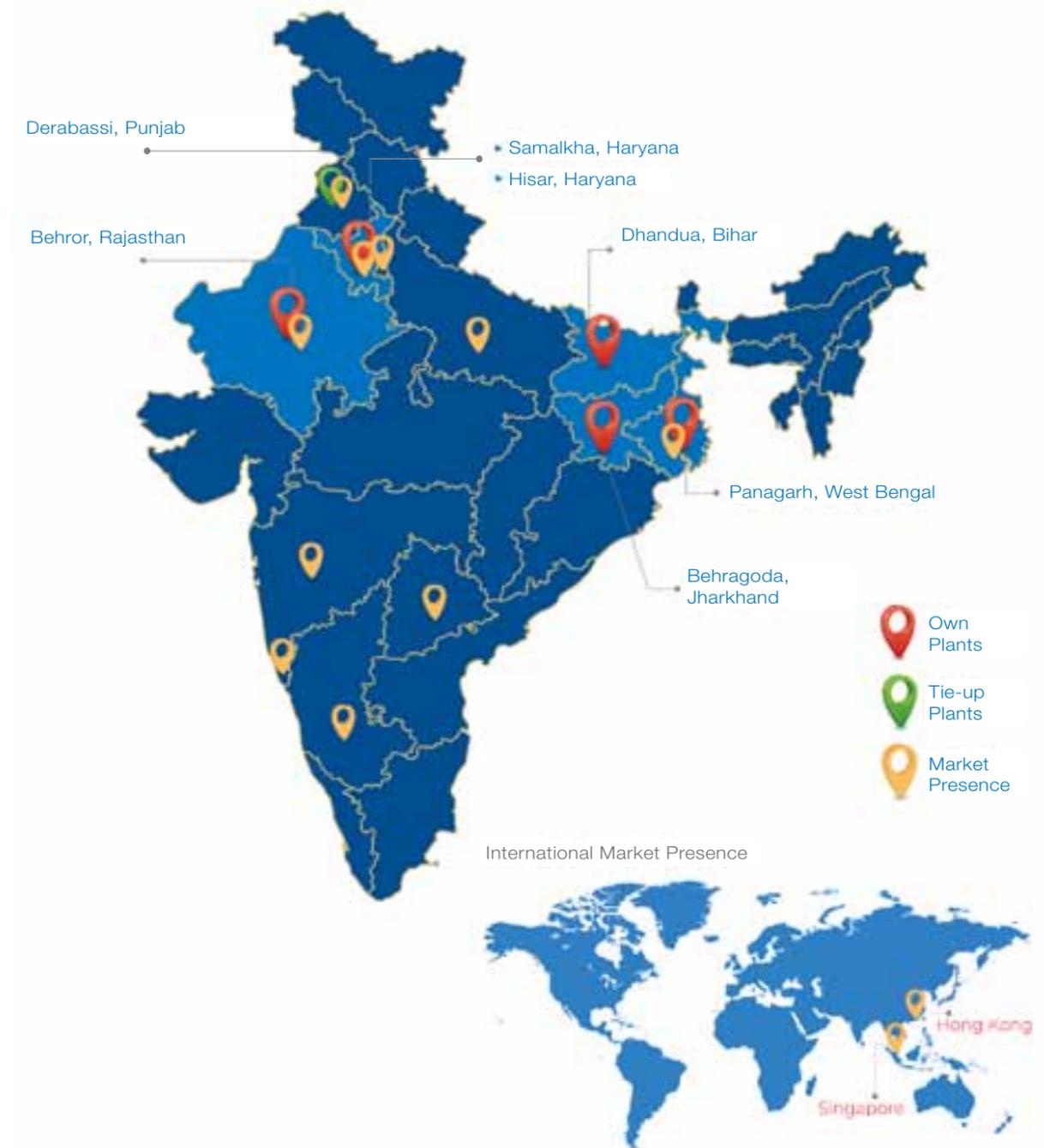
# Our Presence

Distillery operations for Globus Spirits Limited epitomise our constant quest for excellence. Over the years, Globus Spirits has earned a reputation in the market through steady growth and expansion efforts, a constant focus on improving the quality and image of all our products in India and overseas and dedicated efforts to create efficient and environment-conscious processes.

Combined together with the experience of our leadership team, we can state proudly that our ability to run distilleries in India is unparalleled.

With our world-class, fully integrated, multi-feedstock, and modern plants located at Rajasthan, Haryana, West Bengal and Jharkhand, we produce a total capacity of over 287 million bulk litres and a bottling capacity that exceeds 24.2 million cases per annum.

Our manufacturing facilities, spread across West Bengal, Bihar, Haryana and Rajasthan are enabling excellence by maximising yields from raw material. Our fully operational production units allow us to maximise alcohol yield while also optimising the production of by-products leading to complete utilization of the raw material.



# 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-degree 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. The strategy is to get stronger in the manufacturing business which is the backbone of the company which gives us the confidence to target the consumer business and invest in it.

## **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. The spends are really on creating teams and capabilities. Around-2.5 years back Mr Paramjit Singh Gill, CEO, Consumer Division has joined us to scale up the consumer business.



# 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.

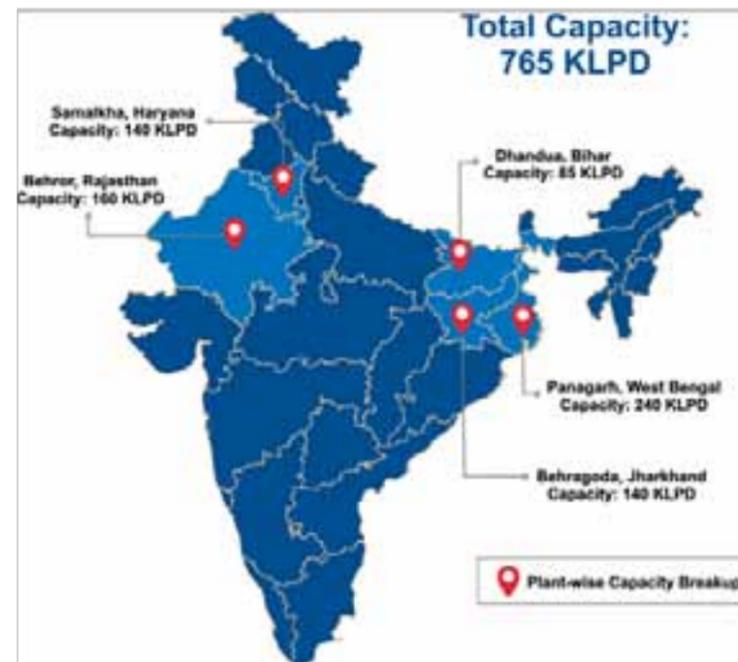
These facilities are also ENAbling a clean environment with a zero-pollution footprint and cogeneration of power using renewable biomass as fuel.

Combined together with the experience of our leadership team, we can state proudly that our ability to run distilleries in India is unparalleled.

ENAbled excellence in our manufacturing facilities helped us achieve in Fiscal 2023:

- ~257 million litres or ~765 KLPD of production with zero discharge
- End to end production of ~3 million cases of bottled beverages
- ~90% utilization of operating capacity, (Disruptions in the Haryana facility led to lower utilization)
- Healthy relationship with India's top 2 IMFL companies ensures steady offtake

**Distilleries Across 05 States with a Total Capacity of 765 KLPD**



# State-of-the-Art Manufacturing Units (1/5)

## Behror (Rajasthan) Plant

**Capacity:** 54.4 Mn Ltrs

**Products :** Value, Value Plus, IMFL Liquor ; ENA, Ethanol and other By-products (Mainly AFS)



# State-of-the-Art Manufacturing Units (2/5)

## Samalkha (Haryana) Plant

**Capacity:** 47.6 Mn Ltrs

**Products:** Value, Value Plus, IMFL Liquor Franchisee IMFL;  
ENA, Ethanol and Other By-products (mainly AFS)



# State-of-the-Art Manufacturing Units (3/5)

## Panagarh (West Bengal) Plant

**Capacity:** 81.6 Mn Ltrs (scale up to 102.0 Mn Ltrs by Q1FY24)

**Products:** Value, Value Plus, IMFL Liquor Franchisee IMFL;  
ENA, Ethanol and Other By-products (mainly AFS)



# State-of-the-Art Manufacturing Units (4/5)

## Hajipur (Bihar) Plant

**Capacity:** 28.9 Mn Ltrs (scale up to 35.4 Mn Ltrs by Q1FY24)

**Products:** Ethanol and Other By-products (mainly AFS)



# State-of-the-Art Manufacturing Units (5/5)

## Baharagora (Jharkhand) Plant

**Capacity:** 47.6 Mn Ltrs (scale up to 68 Mn Ltrs by Q1FY24)

**Products:** ENA, Ethanol and Other By-products (mainly AFS)



# 360° EXPANSION IN FY 23

01

**MAINTAINED  
SIGNIFICANT  
MARKET SHARE IN  
VALUE SEGMENT  
IN STATES OF  
PRESENCE WITH  
TOTAL SALES OF  
~14.4 MN CASES**

02

**STEADY  
PERFORMANCE  
OF  
FRANCHISEE  
BUSINESS WITH  
VOLUMES AT  
~3 MN CASES**

03

**ACHIEVED ROBUST  
PERFORMANCE IN  
BULK ALCOHOL  
PRODUCTION WITH  
VOLUME CAGR OF ~5%  
DURING FY19-23**

Sustained high utilization levels  
due to 360° approach

Total capacity of ~257mn Bulk  
Litres of alcohol

04

**LEADING VALUE  
SEGMENT  
PLAYER WITH  
FOOTPRINT IN 4  
STATES**

05

**PROGRESSING  
INTO  
PREMIUM LIQUOR  
SEGMENT**

Present in 08 markets with a  
portfolio of 9 brands

06

**FINANCIAL  
HIGHLIGHTS\***

Strong growth of 34% YoY  
to reach total income (net of  
excise duty) of ₹21.1 Bn

EBITDA of ₹ 2,534 Mn and  
PAT of ₹1,222 Mn

Sound balance sheet  
position with a debt-equity  
ratio of 0.3x



# Chairman's Message

Dear Shareholder,

While humanity celebrates its victory over the Covid pandemic and we are back to normalcy, we have now faced in the year gone by with adversity in the form of geopolitical tensions, disruption of energy supplies and its attendant consequences on several developed economies. Several central banks resorted to hawkish policy stance to curb inflation that was fuelled by increasing commodity prices. Given the global and interconnected economic world we operate in, your Company too had to face operating challenges. Whilst we cannot control all the events that happen around us, I am in no doubt and happy to state about the resilience of Globus Spirits Limited to navigate this well and come even stronger. Our Company faced margin pressures due to increasing raw material and energy costs, we were able to limit the impact due to our risk mitigation framework and have managed to deliver robust operational and financial results in the fiscal gone by. In the year gone by our company delivered impregnable financials with a full year EBITDA of Rs 253.41 Crs and a PAT of 180.07 Crs.

An expanding product portfolio has allowed your company to compete effectively in both the mass market and premium segments in recent years due to an hourglass-shaped market in the Consumer segment. With the inherent strength of our product portfolio and operational agility, we are confident that we will be able to move forward.

**Since our business is diversified geographically, we strive to identify market trends and new cohorts of consumers to continuously enhance our performance.**

**Our vision is to create a sustainable business which can overcome all kinds of headwinds and for that, our business has to be around such strong principles:**

**Premiumization Trend:** As you know the alcohol industry is moving towards premiumization and consumers are ready to pay a premium for a superior product, we wish to capitalize on this trend and gain market share. We continue to invest in the IMFL segment which will be the next leg of growth for your company. Our strategy has already helped us gain momentum in the Value to Value Plus transition in recent years, and we are endeavoring to replicate this success in the Premium segment. This is a very important milestone and an inflection point in the company's journey as it will provide an impetus to our growing business.

**Making an Impact in the Premium Segment:** We have successfully introduced craft spirits like the *Terai* – India Dry Gin, *Snoski* - a highly unique crafted vodka, *Mountain Oak* - an exclusive blend of Scotch malts and select Indian grain spirit. We

have received a good response for the first phase and our teams are geared up to expand into newer geographies and launch more products to gain traction.

**Driving robust utilization of Manufacturing Capacities:** The manufacturing segment continues to be aided by the Government's focus on ethanol blending which will continue to drive demand in the bulk alcohol

segment. To capture this opportunity in our Manufacturing segment and to expand our Consumer business footprints in newer States, we have expanded our capacities. The increased capacities already have contracts in place for ethanol with OMCs which is a vote of confidence. In addition, our strategy to focus on ENA deficit states provides us with a lot of opportunity and pricing power.

**Effective deployment of surplus cash flows:** The goal has always been towards utilizing the cash flows from the manufacturing business and enriching the consumer business. We have a long-term growth perspective and continue to invest towards building a sustainable business model in the Premium segment as we have done in the recent times.

**De-risking cost structure to protect against external shocks:** Inflationary pressures caused an increase in our raw material prices during the year that had an impact on our margins. We strategically moved to a more stable source for raw materials from the Food Corporation of India, which apart from providing consistent supplies at a fixed price, also helped us in improving the quality of our output and ergo, our realisations. We also participated in coal auctions to secure consistent supply of energy. These measures, along with internal cost rationalisation measures will help in the medium to long term.

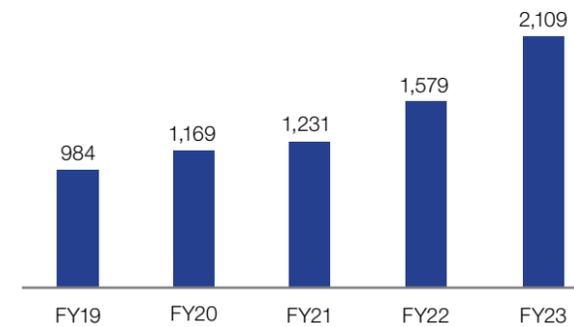
With a presence across the value chain, your company continues to build a strong platform with strategic investments in capacity and premiumization. The overall Indian consumption story, we believe, will continue to drive strong growth in all markets we operate in. While business growth is imperative, our commitment towards sustainability is unwavering.

Our journey so far has been indelible and momentous, and I would like to once again place on record, our sincere gratitude to all our employees, customers, partners, and other stakeholders that continue to support the Company's endeavors.

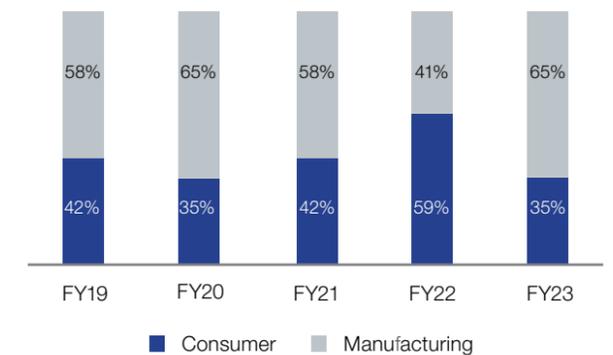
Sd/-  
Chairman

# Historical Financials

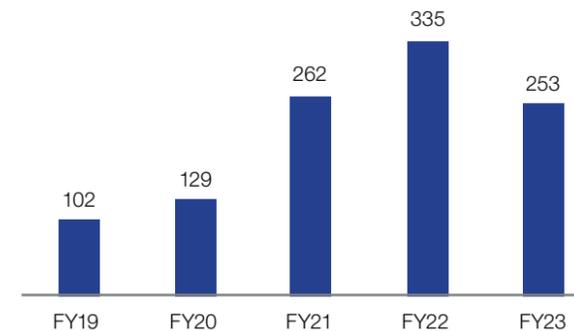
Net Revenues (₹ Crore)



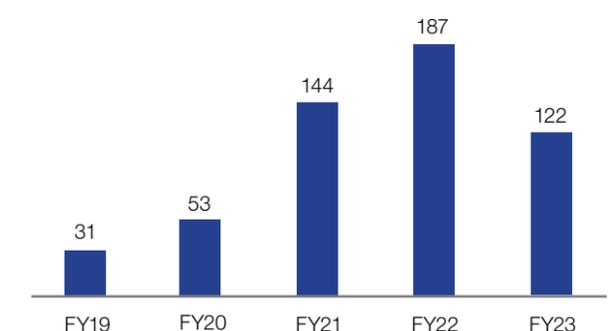
Segment Revenue Split



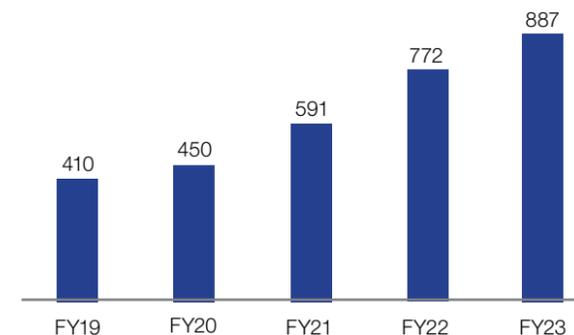
EBITDA (₹ Crore)



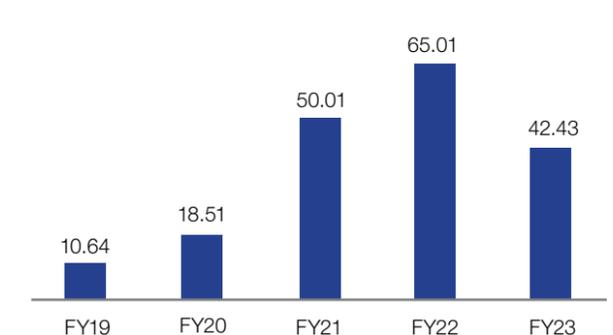
Profit after Tax (₹ Crore)



Net Worth (₹ Crore)



EPS



# Board's Report

To the Members

Your Board of Directors are pleased to present the 30<sup>th</sup> Annual Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2023.

## FINANCIAL PERFORMANCE

(Rs. In Lakhs)

Particulars	Current Year (2022-23)	Current Year (2021-22)
Total Revenue	283029.79	235046.16
Total Expenses	265023.10	206922.13
Profit before Exceptional items & Tax	18006.69	28124.03
Less: Provision for taxation including Deferred tax	5786.89	9398.60
Profit/ (Loss) after tax	12219.80	18725.43
Basic EPS	42.43	65.01
Diluted EPS	42.39	65.01

## PERFORMANCE OVERVIEW

During the year under review the company reported a growth of 20% in revenue as compare to previous year and PBT has been decreased by Rs.101crores from the previous year and also PAT has been decreased by Rs.65crores from the previous year. The Basic EPS of the Company is Rs.42.43/- as compared to Rs.65.01/- in the previous year and the Diluted EPS of the Company is Rs.42.39/- as compared to Rs.65.01/- in the previous year.

## THE YEAR IN PERSPECTIVE

The Fiscal 2023 was a year full of uncertainties like policy tightening aimed at containing very high inflation, worsening financial conditions, and continued disruptions from the Russian Federation's invasion of Ukraine. Despite this, your company has been able to deliver robust top-line growth. In Fiscal 2023, your

Company reported a growth of 34% in net revenues to reach Rs.2,109 crore due to strong performance in the manufacturing and consumer segment, and EBITDA stood at Rs.253 Crores. EBITDA margins were at 12% due to the higher input costs, and investments in the IMFL segment. Net profit stood at Rs.122 Crores in the year under review.

The share of consumer business was 35% in Fiscal 2023. The Company continued to perform well in its key markets like Rajasthan with higher growth in the Value Plus (Medium Liquor) segment despite the change in policy set by the excise department; in the Haryana market we took a step back and cut down on our trade spending, and the West Bengal market continues to offer significant headroom for growth. Our market share remained stable in Rajasthan at ~33% and in Haryana, we are gaining back our lost market share. In the financial year, the sales from the IMFL segment picked up and contributed 5% of the top line of consumer revenue. Your company believes the premium segment will contribute to its next phase of growth and currently contributes 2% of the top line.

Your Company has been working on building a strong portfolio of premium segment brands and currently has 09 brands spread across 07 states. There are several launches of new products in select markets and existing products in new markets that are being planned in the forthcoming year.

The share of the manufacturing business was 65% in Fiscal 2023. It witnessed a growth of 51% as the greenfield capex at Jharkhand was commissioned in Q2FY23 and incremental capacity expansion at the West Bengal facility operated at optimum utilisation throughout the year. Your company's strong presence in the manufacturing segment is the backbone of the business.

The strong roots of the manufacturing segment give us the confidence to explore opportunities in the consumer business which will aid the company's growth.

## DIVIDEND

Your Directors are pleased to recommend dividend of Re.6/- , i.e. 60% per equity share of the company for the year 2022-23.

## 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

Sh. 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

As on date the company do not have any subsidiary company

## 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 Statutory Auditors of the company, 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, whose tenure of 2<sup>nd</sup> consecutive term of 4 year will be completed at the ensuing AGM of the company and accordingly, pursuant to the recommendations of the Audit Committee and Board, it is being proposed to appoint M/s Walker Chandio & Co. LLP, Chartered Accountants, New Delhi, having ICAI Firm Registration No. 001076N/N500013, as Statutory Auditors of the Company to hold office from the conclusion of the upcoming Annual General Meeting (AGM) till the conclusion of 35<sup>th</sup> AGM of the Company at the remuneration to be fixed by the Board of Directors / senior management of the Company, in addition to applicable taxes and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company.

## 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 2023-24. 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

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	64	16-Jan-1993	PGDBM (39 years of experience)	M/s SVP Industries Ltd.	6.68%	31500000
Shekhar Swarup	Joint Managing Director	Permanent	37	27-Oct-2008	Degree in Business & Management (16 years of experience)	N.A.	2.66%	27000000
Paramjit Singh Gill	CEO-Consumer Division	Permanent	62	01-Nov-2020	M.Phil – Decision making, knowledge management & values (33 years of experience)	M/s Allied Blenders & Distillers Ltd.	0.00	22400004
Bhaskar Roy	Executive Director & COO	Permanent	61	04-Oct-2005	Mcom, FCA, PHD (34 years of experience)	M/s Saraya Industries Limited	0.00%	9500000
R.K. Malik	President (Operation-North)	Permanent	66	15/Aug/2000	MBA (45 years of experience)	M/s Golden Bottling	0.00%	9000000
Nilanjan Sarkar	CFO	Permanent	52	01-Sep-2021	ICWA (27 years of experience)	M/s Allied Blenders & Distillers Private Limited	0.00%	9000000
Rajesh Fanda	Business Head – Emerging Market	Permanent	52	24-Nov-2022	PG- Diploma in Retail Management (29 years of experience)	M/s Alcobrew Distilleries India Limited	0.00%	8000004
Akhil Arora	Sr. V.P-Commercial	Permanent	42	30-May-2022	PG in IRMA (over 20 years of experience)	M/s Suguna Foods	0.00%	7000008
Amitabh Singh	Vice President	Permanent	56	16-Apr-2013	B.Sc. Engineering (32 years of experience)	M/s Radico Khaitan Limited	0.00%	7000000
Pankaj Tyagi	Vice President	Permanent	49	14-May-2015	B.Sc. Engineering (25 years of experience)	M/s Brahamaputra Biochem Pvt. Ltd.	0.00%	6200000

Notes:

1. The percentage of equity share holding mentioned as above is as on 31<sup>st</sup> March 2023.
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.

**EMPLOYEE STOCK OPTION SCHEME**

The Employee Stock Option Scheme was approved by the shareholders in the Annual General Meeting held on September 24, 2021. Total 2,87,992 Options were approved under the Employee Stock Option Scheme. Disclosure under SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 regarding details of the “ESOP 2021” is given in **Annexure-III**. The Employee Stock Option Scheme containing all the relevant terms & conditions can be access at [https://www.globusspirits.com/investors\\_corporate\\_governance.php](https://www.globusspirits.com/investors_corporate_governance.php).

**ANNUAL RETURN**

Annual Return of the Company in Form MGT-7, in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is available on Company's website [www.globusspirits.com](http://www.globusspirits.com) and can be accessed through link [https://www.globusspirits.com/investors\\_corporate\\_governance.php](https://www.globusspirits.com/investors_corporate_governance.php).

**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 2022-23, 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, 2023 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 2022-23 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.

**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.

**VARIOUS COMMITTEES OF THE BOARD**

Composition and other details pertaining to various Committees of the Board of Directors have 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.

**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 2022-23.

## SECRETARIAL STANDARDS

All the provisions of Secretarial standards has been complied by the Company during Financial Year 2022-23.

## 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.

## ANTI-SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received on sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaint on sexual harassment was received during the period under review.

## 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).

## 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	126.39
Mr. Shekhar Swarup	108.33
Dr. Bhaskar Roy	38.12

Non-Executive Directors (Sitting Fees only)	
Sh. Santosh Kumar Bishwal	1.39
Sh. Vivek Gupta	1.30
Sh. Kunal Agarwal	1.74
Sh. Sunil Chadha	1.60
Ms. Ruchika Bansal	4.17
Mr. Ajay Baliga	10.44

\* 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)	20%
Mr. Shekhar Swarup (Joint Managing Director)	20%
Dr. Bhaskar Roy (Executive Director)	8%
Sh. Santosh Kumar Pattanayak (Company Secretary)	15%
Sh. Nilanjan Sarkar (CFO)	NA

(c) The percentage increase in the median remuneration of employees in the financial year : 25.66% (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 31/03/2023 : 892

(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 2022-23 was 9% approximately. Percentage increase in the managerial remuneration for the year was also approximately 16%.

(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**

(Santosh Kumar Pattanayak)  
**Company Secretary**

(Shekhar Swarup)  
**Joint Managing Director**

Place : New Delhi  
Date : May 25, 2023

# Annexure -I

## to the Directors' Report 2022-23

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 or 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

	2022-2023	2021-2022
Foreign Exchange earnings (Export Sale)	INR52.02crores	INR26.26crores
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

(Santosh Kumar Pattanayak)  
Company Secretary

(Shekhar Swarup)  
Joint Managing Director

Place : New Delhi  
Date : May 25, 2023

# Annexure -II

## to the Directors' Report 2022-23

### CORPORATE SOCIAL RESPONSIBILITY

#### 1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility Policy ('CSR Policy') of Globus Spirits Limited has been formulated in accordance with Section 135 of the Companies Act 2013 and the rules made there under. The CSR Policy shall apply to all the CSR activities undertaken by the Company.

#### 2. Composition of the CSR Committee

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Santosh Kumar Bishwal	Chairman	2	2
2	Mr. Vivek Gupta	Member	2	1
3	Mr. Shekhar Swarup	Member	2	2
4	Dr. Bhaskar Roy	Member	2	2

#### 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: [www.globusspirits.com](http://www.globusspirits.com)

#### 4. Details of Impact assessment of CSR projects carried out in pursuance of sub- rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable:

The provisions relating to Impact assessment of CSR project carried out in pursuance of sub-rule rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 is not applicable on the company.

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the companies (Corporate social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any –

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs. )	Amount required to be set-off for the financial year, if any (in Rs. )
		Nil	

#### 6. Average net profit of the company as per section 135(5): Rs.183,47,57,333/-

#### 7. (a) Two percent of average net profit of the company as per section 135(5): Rs.3,66,95,147/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: Nil

(c) Amount required to be set off for the financial year, if any : Nil

(d) Total CSR obligation for the financial year ( 7a+7b-7c) : Rs.3,66,95,147/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial year. (in Rs.)	Amount Unspent (in Rs.)** (** including the amount unspent for the previous year.)				
	Total Amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
Rs 3,70,00,249/-	-	-	-	-	-

8 (b) Details of CSR amount spent against ongoing projects for the financial year: Nil

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/NO)	Location of the Project		Project duration	Amount allocated for the project (in Rs. Million)	Amount spent in the current financial year (in Rs. Million)	Amount transferred to unspent CSR account for the project as per Section 135(6) (in Rs. Million)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number

(c) Details of CSR Amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				State	District			Name	CSR Registration Number
1	Engaged in eradicating environment pollution	Ensuring Environmental sustainability	No	Punjab	Fazilka and other Districts	50 lakhs	No	M/s India Paryavaran Sahayak Foundation	CSR00007947
2	Providing basic facilities and amenities in schools under "Har Ghar Tiranga Campaign"	promoting education	Yes.	Haryana	Samalkha	1.25 lakhs	Yes	-	-

3	Conducting Training and skill Development Programme	promoting education, including special education and employment enhancing vocation skills	Yes	West Bengal & Haryana	Panagarh & Samalkha	318.75 lakhs	Yes	M/s GRAS Skill Foundation	CSR00020883
---	---	---	-----	-----------------------	---------------------	--------------	-----	---------------------------	-------------

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.3,70,00,249/-

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in Rs. million)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs.3,66,95,147/-
(ii)	Total amount Spent for the Financial Year	Rs.3,70,00,249/-
(iii)	Excess amount spent for the financial year (ii)-(i)	Rs.3,05,102/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs.3,05,102/-

9 (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under section 135 (6) (in Rs. million)	Amount spent in the reporting Financial Year (in Rs. million)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs. million)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial Year (in Rs.)	Status of the Project- Completed/ Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired ( including complete address and location of the capital asset)

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Nil

For and on behalf of the Board of Directors

(Dr. Bhaskar roy)  
Executive Director

(Ajay K. Swarup)  
Managing Director

(Santosh Kumar Bishwal)  
(Chairman-CSR Committee)

Place: New Delhi  
Date: May 25, 2023

## Annexure -III to the Directors' Report 2022-23

### ESOP Disclosures pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

#### Details related to ESOP

- Brief terms and conditions of ESOP, including -
  - Date of shareholders' approval : 24<sup>th</sup> Sep 2021
  - Total number of options approved under ESOP: 2,87,992 shares
  - Vesting requirements : It is mandatory
  - Exercise price or pricing formula : Rs.10/- per share
  - Maximum term of options granted : Minimum One year
  - Source of shares (primary, secondary or combination) : Additional shares.
  - Variation in terms of options : Yes, as may be determined by the Nomination and Remuneration Committee
- Method used to account for ESOP - Fair Value.
- Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.: --Not Applicable--

(iv) Option movement during the year (For each ESOP):

Particulars	Details
Number of options outstanding at the beginning of the period	2,87,992
Number of options granted during the year	20,284
Number of options forfeited / lapsed during the year	-
Number of options vested during the year	-
Number of options exercised during the year	-
Number of shares arising as a result of exercise of options	-
Money realized by exercise of options (INR), if scheme is implemented directly by the company	-
Loan repaid by the Trust during the year from exercise price received	-
Number of options outstanding at the end of the year	2,67,708
Number of options exercisable at the end of the year	-

- Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. - Not Applicable--

- Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -

- senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Name of Employee	No. of shares for which options has been granted
Paramjit Singh Gill	14450
Bhaskar Roy	1000
Rajesh Kumar Malik	1000
Amitabh Singh	1000
Pankaj Tyagi	1000
Nilanjan Sarkar	500

- any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and

Name of Employee	No. of shares for which options has been granted
Paramjit Singh Gill	14450

- Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant. ----- Nil----

- A description of the method and significant assumptions used during the year to estimate the fair value of options: ESOP valuation was done by estimating the company's equity instrument's fair value using Income, Asset or Market Approach (like Business Valuation) and thereafter applying Option Pricing valuation method including Black Scholes or Binomial method to value the option. The fair value of the equity of the company was considered basis the equity valuation conducted and the valuation report as made available to us for period in which the options are granted. Accordingly, the same has been considered for the purpose of valuation of ESOPs. Using the fair value of the equity of the company which is the price of the equity shares of the company, Black Scholes model is applied to arrive at the valuation of the ESOP's issued/ to be issued by the company.

# Secretarial Audit Report

## For the financial year ended 31 March, 2023

[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, 2023, 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, 2023

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 and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021;
- (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;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and;
- (j) The Securities and Exchange Board of India (Depositories and Participants) 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.

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 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  
 PR : 1323/2021  
 UDIN : F006136E000382182

Place: Vaishali  
 Date: 25.05.2023

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**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  
 PR : 1323/2021  
 UDIN : F006136E000382182

Place: Vaishali  
 Date: 25.05.2023

## **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 on the portal 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 has been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority as on March 31, 2023 :

Sr. No.	Name of Director	DIN
1.	Mr. Ajay Kumar Swarup	00035194
2.	Mr. Shekhar Swarup	00445241
3.	Mr. Ajay Bhaskar Baliga	00030743
4.	Mr. Santosh Bishwal Kumar	01098021
5.	Mr. Vivek Gupta	00035916
6.	Mr. Kunal Agarwal	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 : F006136E000382468

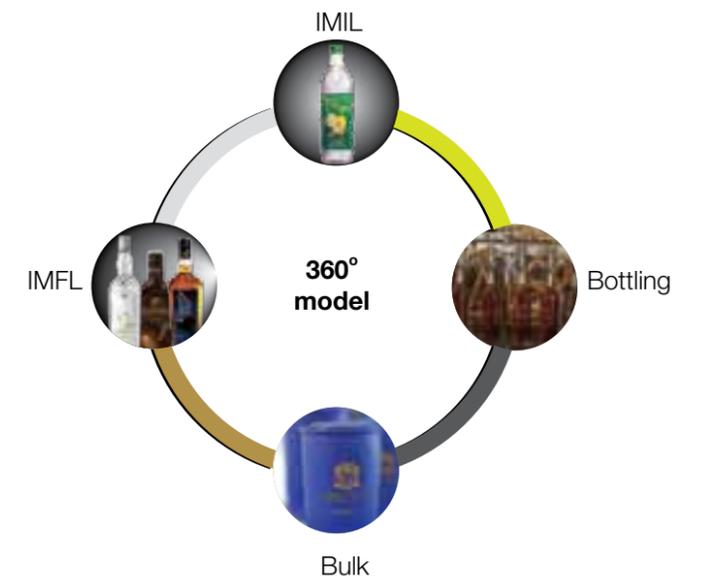
Place: Vaishali  
Date: 25.05.2023



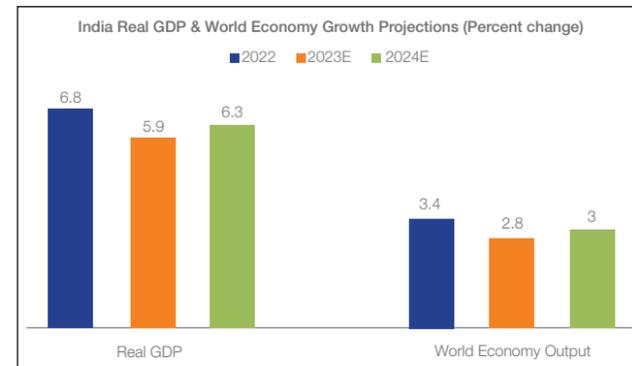
# Management Discussion & Analysis

## **MACROECONOMIC SCENARIO**

Fiscal 2023 started off with a year to be full of uncertainties. There were many headwinds for all the economies like policy tightening to contain inflation which led to a liquidity crunch, apart from the Russian invasion of Ukraine which led to supply chain disruptions of various commodities. Food and energy prices are showing signs of softening, except for certain grains, but underlying price pressures are sticking, with labour markets tightening in some countries. Although commodity prices have moderated following Russia's invasion of Ukraine, the war continues, and geopolitical tensions remain high. In spite of Covid-19's impact, China appears to be recovering, which has eased supply-chain disruptions. However, things have stabilized in the first half of CY2023, despite persistently high inflation and recent financial sector turmoil, early signs that the world economy could achieve a soft landing have receded.



However, the Indian economy was resilient and was able to withstand on its own feet and didn't let the Western World's uncertainty and disruption affect the nation's growth trajectory. The consumer demand remained intact which helped the country to avoid falling into recession. The World Bank estimates that the Indian economy will grow by 5.9% and 6.3% in 2023 and 2024 respectively. (Source: Source: Global Prospects and Policies, International Monetary Fund | April 2023).



Source: Global Prospects and Policies, International Monetary Fund | April 2023

## INDIAN SPIRITS INDUSTRY

The Indian spirits industry is destined to grow because of the country's sizeable middle-class population with increased purchasing power, rapid urbanization, changing consumer preferences, and a reduction in cultural barriers to drinking. The country's population is around 1.3 billion and the strong demographic profile that 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 the per capita alcohol consumption in India is set to boom. The Indian market is more than a billion cases in size and is highly dominated by spirits, the recorded Per capita consumption of pure alcohol has moved from 0.9 litres to 2.7 litres for the period between 2000 to 2010 with a CAGR of close to 12%. Recorded per capita consumption of pure alcohol has been rangebound around 3 litres from 2015. The domestic market is projected to cross 1200 Mn cases in volume by 2025. Positive demographic factors including more than 10 Mn people added every year to the population eligible for drinking make it one of the most attractive markets for alcoholic beverages (Source: Technopak Advisors Pvt. Ltd.).

The Indian spirit industry has faced many disruptions in recent years, some of them are excise duty hikes across states, changes in route-to-market in some states, demonetization, highway ban and GST implementation. Even after facing turbulent times, the industry is poised for strong growth as there are a number of tailwinds which will drive the demand for the coming years.

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

1. Indian Made Foreign Liquor (IMFL) or Premium Segment
2. Indian Made Indian Liquor (IMIL) or Value & Value Plus Segment

While IMIL caters to a large segment of the Indian population, it is believed that the price point at which consumers buy alcohol will increase and the Indian Alcohol Industry will move towards Premiumization. Companies are focusing on product development and the 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. Also, showcasing new products, branding of shelf space in retail outlets and company outreach to its customers through multiple marketing initiatives so that it suits consumers' preferences and the core focus is on brand recognition/brand recall.

### 1. Premium Segment

The premium segment in India has been dominated by brown spirits mainly whisky, rum, and brandy. However, the share of white spirits like vodka and gin is picking up. – (source: Technopak Advisors). IMFL volume is expected to reach 353 million cases in CY25, according to Euromonitor International.

After experiencing rapid growth during 2001 to 2011 period, growth in the premium 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. While 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.

## 2. Value and Value Plus Segment

The country liquor segment is somewhere around one-third of the alcoholic beverage market in volume terms. This segment mainly caters to the price-sensitive, lower-income group in India and high acceptance in rural areas. (source: Technopak Advisors)

The Value segment 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 Value segment with increasing awareness about health and quality, conducive regulatory policies and aided by growth in population. In the short run, the Value segment could benefit from lower discretionary incomes, which would push up the demand for lower priced liquor.

In 2019-20, FICCI estimates the illicit alcoholic beverage market to be worth Rs. 23,466 crores in value terms. Though this number may have reduced since then, it would still be sizable representing a large opportunity for the industry. The State Governments play an important role in this conversion. The Value and Value Plus markets are being organized to prevent tragedies, as the excise revenue potential is significant.

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
Taste Preference	Local fruit flavour dominated market, varies with states	North India - Whisky East India - Rum South India - Brandy & Rum
Point of Purchase	Mostly State Government Regulated vends (except for West Bengal and Haryana where distributor model also exists); 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 Rs 15 per Proof Litre	Less restricted than IMIL, but higher excise duties of minimum of Rs 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	~ Rs 100-200 for 750 ml	Starts from ~ Rs 600 for 650 ml
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

### Outlook

Considering India's large number of young people, the industry has numerous opportunities. Young adults are likely to drive much of the expected and projected future demand as they approach the legal drinking age and become more affluent. To

capture as much of the younger generation as possible, brand owners are focusing on online marketing and storefronts. The spirits industry is all set for its growth phase, in order to sustain growth, it needs an enabling ecosystem.

## ETHANOL INDUSTRY

In India due to the coordinated efforts of the Public Sector Oil Marketing Companies (OMCs), the 10% ethanol blend target under the Ethanol Blended Petrol (EBP) Program has been achieved much sooner than the November 2022 target.

A 12% blending goal has been set for 2022/23, with 4.8 billion litres projected for production, with a possibility of an upside.

By 2025, 20% blending of petrol in the country should be achievable thanks to recent interest subvention incentives for grain-based distilleries. India's current ethanol production capacity is 426 crore litres derived from molasses distilleries and 258 cr. Litres from grain-based distilleries. There is a proposal to increase these amounts to 760 crore litres and 740 crore litres, respectively. A total of 1,016 crore litres of ethanol would be produced for EBP and 334 crore litres for other uses. (Source: NITI Aayog)



### BUSINESS OVERVIEW

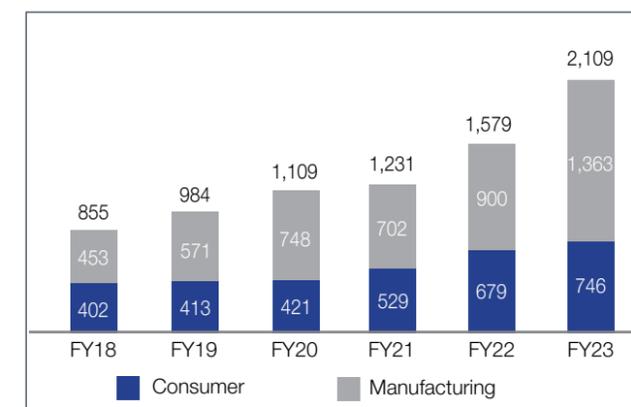
We have focused on creating steady growth through a well-entrenched Distillation business, as well as laying a foundation for growth in our consumer business.

A robust model of well balanced between consumer and manufacturing segments continue to generate healthy cash returns which we deploy through growth investments in our premium segment.

In the premium segment, we are focused on niche segments and we are building blocks for a high-margin brand business. With our overall volume crossing 2 lakh cases in FY23, it was an important milestone for us.

In Fiscal 2023, the consolidated Net Revenue (net of excise duty) of ₹ 2,109 crore was higher by 34% year-on-year from ₹ 1,579 crore in Fiscal 2022. EBITDA was at ₹ 253 crore and Net Profit after Tax was at ₹ 122 crore. This significant jump can be attributed to a higher share of manufacturing business as the capex at Jharkhand was completed, better realisations, lower finance costs on account of the paring of debt and lower cost of debt. This performance was achieved despite the changes in excise policy and inflationary input cost scenario.

### Net Revenue Breakup (Rs crore)



## BUSINESS SEGMENTS

### 1. Manufacturing Segment

The manufacturing business revenue, comprising (a) Bulk alcohol manufacturing (b) Franchisee IMFL (third party bottling) and c) By-Products, was ₹ 1,363 crore during Fiscal 2023 which was up by 51% YoY, despite the Haryana plant not operating at optimum levels. However, there were changes done in the Haryana plants and is now operating at normal capacity. The newly added Jharkhand capacity in Q2-Fiscal 2023 has fuelled the growth of the manufacturing business.

The bulk alcohol division is the backbone of your company's integrated model, the two core products in this division are:

**Extra Neutral Alcohol:** We provide high quality Extra Neutral Alcohol to the other divisions, ensuring a sustainable competitive advantage. ENA provided a natural hedge for the consumer business which helped us protect our margins in this

challenging year where there was immense cost pressure. Also, the ENA which is not consumed internally can be sold outside at the spot prices which helped to achieve top line growth as the prices had increased in FY23.

**Ethanol:** 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 the target of 10% blending that was set by the Government, further it has advanced by five years its target for achieving 20% ethanol blending in petrol. Such initiatives by the government gave us the opportunity to ramp up our capacities in Jharkhand and West Bengal and we will continue to capitalize on it in the coming years.

For the Fiscal 2023, bulk alcohol sales for your Company were 182.3 million bulk litres as compared to 116.4 million bulk litres in Fiscal 2022. Despite the impact of maintenance shutdown in Haryana, the capacity utilisation was at 90%. The bulk realisations at ₹ 59.1 per litre in Fiscal 2023 as against ₹ 55.9 per litre in Fiscal 2022, underscores the structural shift that has played out. The volumes have increased mainly because of the Jharkhand facility coming into play and the incremental West Bengal facility being utilised throughout the year.

**Franchisee Bottling:** Our bottling operations saw some recovery with 3.03 million cases as opposed to 2.9 million cases bottled in FY22. Your Company has bottling contracts with United Spirits in the states of Haryana and West Bengal to manufacture their flagship brands and with Bacardi in West Bengal. Apart from this a new tie-up with Bacardi in West Bengal for leasing and contract arrangement will add revenue potential and better utilize the Panagarh facility. 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 13% to the Total Income in Fiscal 2023. The market prospects for AFS remain promising and while offtake is

not a concern, prices are volatile due to linkage to soya which is an agricultural commodity.

## 2. Consumer Business

The consumer business revenue, comprising largely of Value and Value Plus segment (IMIL) and Premium Segment (IMFL), has shown strong performance in Fiscal 2023 and grew by ~10% year-on-year to reach Rs 746 crore from Rs 679 crore in Fiscal 2022, on the back of higher volumes and better product mix. We have invested in human capital which we believe is critical in the consumer business to understand the consumer's taste preference and allows to enter the market in the new segments we want to enter and flourish. So, to drive this we have a completely dedicated innovation team to gain traction in the Premium Segment:

### Premium Segment

Your Company has been working on building a strong portfolio of brands under its Premium Liquor segment, 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. Also, the company has recently entered the Haryana, Uttar Pradesh and Delhi markets. Your company is looking for organic and inorganic growth opportunities which means we will be adding more brands and strengthen the existing ones. Your company is confident about its product range and will be focused towards the journey of premiumization by targeting new geographies. Currently, there are plans to enter the Punjab market. The size of the semi-premium whisky segment is almost 50 million cases, whereas premium whisky is almost 15 million cases and super premium whisky is almost 2 million cases annually. The segments present a significant opportunity for growth.

Focus is being undertaken to ensure our commitment to excellence and customer satisfaction as we strive to provide premium quality products and services. Our goal is to create a positive and memorable customer experience for our customers, thus driving our premiumization journey.

### Brands from Premium Portfolio:



### Value and Value Plus 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. In Rajasthan the Company's market share is maintained almost 33% on the back of strong performance of the Value Plus segment. However, in Q2FY23 the value plus segment in Rajasthan segment saw a blip in volumes because of the changes in the excise policy, things are yet to normalize and your company is optimistic towards this segment. Haryana volumes saw a drop as the company decided to cut down on trade spends, eventually the peers did the same as there was no price hike given in the state and it was not feasible to operate at such levels, however, the company is winning back its lost market share and is currently around 5%. Our recent expansion at West Bengal facility is about to give us an added impetus to not only expand our portfolio of offerings, but this will also allow us to capture certain market surges in that geography. We have witnessed that consumers are ready to upgrade for a better product at a higher price point and move towards a superior or you can say a premium product. The consolidated Value and Value Plus segment sales stood at 14.2 million cases in Fiscal 2023 as against 14.6 million cases in Fiscal 2022.

### Brands from Value Plus Portfolio:



### Expansion Plan

Your Company plans to expand in those areas that continue to remain deficit in ENA for beverage and Ethanol for petrol blending. The goal is to establish itself in the manufacturing business and then eventually target the consumer segment in that state.

- In Q2FY23 the new capacity of 140 KLPD with bottling plants came online at Jharkhand.
- In Q1FY24 enhancing the capacity by 19 KLPD in Bihar.
- In Q1FY24 enhancing the capacity by 60 KLPD at West Bengal & Jharkhand.
- Greenfield project in Odisha - new capacity of 200 KLPD for Ethanol and ENA with bottling plants, construction to start from Q2 of FY24.
- Greenfield project in Uttar Pradesh - Bottling plant construction is in progress and will be live end of Q3 of FY24. The Board of Directors have approved a capacity of 200 KLPD for Ethanol and ENA with bottling capacity and land acquisition is underway.

### Financial Highlights

- Net Revenues at Rs 2,109 Crores, up by 34% y-o-y.
- EBITDA at Rs 253 Crores down by 24%, with EBITDA margin of 12%.
- PAT at Rs 122 Crores, down by 35% with margin of 6%.

### 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 2023, the employee (excluding casual) count for the company stood at 892 compared to 746 on 31st March 2022.

#### 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, 2023

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 & D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from April 01, 2022 to March 31, 2023.

## 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, One Executive Director, one Non-executive Director, 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 2022-23, 4 (Four) Board Meetings were held on May 24, 2022, August 09, 2022, November 14, 2022 and February 14, 2023. 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 14, 2023 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, 2023, 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, 2023	Category of Director	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held <sup>5</sup>		
				Board Meetings during the Financial Year 2022-23	Last AGM on September 24, 2022	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 40 years of expertise in Alcohol Industry	1,924,254	MD-P	4	Yes	4	-	-
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 16 years of experience.	766,835	E-P	4	Yes	5	-	-
Sh. Ajay B. Baliga	He is a Chemical Engineer and has over 40 years of in the Alcobev space in various roles, starting from factory management and production control to ultimately end-to-end global supply solutions for Mainstream Spirits for Diageo Plc, the global leader in beverage alcohol. His areas of expertise lie in General Management, Supply, Procurement & Sourcing, Regulatory & Compliance, Innovation & Renovation, Operations Excellence, Technical, Projects & Acquisitions within the Indian and global space. Ajay's long years of association with the Indian alcobev space lends to his extensive knowledge, interest & insights on trends, consumer behaviour, market dynamics & regulatory framework for market penetration & development.	175	NE	1	No	2	4	1

Dr. Bhaskar Roy	He is a Chartered Accountant and Doctorate in Commerce and has over 35 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	2	-	-
Sh. Vivek Gupta	He is a B com(Hons) from Delhi University and has about 32 years of experience in senior position in Industry.	Nil	NE-I-C	3	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 44 years of experience	Nil	NE-I	3	Yes	1	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.	13345	NE- I	4	No	-	-	-
Ms. Ruchika Bansal	Ruchika Bansal is a management consultant with over 15 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>5</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, Risk Management Committee and Stakeholders Relationship Committee.

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.

During the year, Mr. Manik Lal Dutta has resigned from the position of Executive Director of the Board of Directors of the company since 31<sup>st</sup> July 2022.

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:

<b>Strategic Leadership Skills</b>	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams
<b>Financial and Risk Management</b>	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
<b>Governance</b>	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.
<b>Health, Safety, environment and sustainability</b>	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.
<b>Industry and sector experience or knowledge</b>	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 30<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, 2023, all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

Sd/-

Ajay K. Swarup  
Managing Director

DIN – 00035194

25<sup>th</sup> May 2023

### 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 2023 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.

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

During the Financial Year 2022-23, 4 (Four) Audit Committee Meetings were held on May 24, 2022, August 09, 2022, November 14, 2022 and February 14, 2023. The attendance of Audit Committee meeting is as follows:

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

- 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;
- Formulate criteria for the evaluation of every director's performance which includes determining qualifications, positive attributes and independence of a director;
- 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:

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

- Devise a policy on Board diversity;
- Fix the Salary and Perquisites of Executives of the Company;
- 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;
- 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;
- To approve the remuneration payable to the managerial personnel of the Company in case of inadequacy of the profits; and
- 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.
- 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
4	Sh. Kunal Agarwal	Member	Independent Director

### 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.

### a) Payment Terms for Executive Directors

- Salary shall not exceed limits prescribed under the Companies Act, 2013.

### 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, 2023 are as under:

S. No.	Name	Designation	Fixed Salaries and Allowance (Rs.)	Variable Portion (Rs.)	Others Arrears & Incentive (Rs.)	Commission & Other Benefits (Rs.)	Total (Rs.)
1.	Sh. Ajay K. Swarup	Managing Director	2,52,00,000	62,21,250	2,00,00,000	Nil	5,14,21,250
2.	Sh. Shekhar Swarup	Joint Managing Director	2,16,00,000	53,32,500	2,00,00,000	Nil	4,69,32,500
3.	Dr. Bhaskar Roy	Executive Director	75,99,992	18,76,246	-	Nil	94,76,238

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, 2021.

Sh. Shekhar Swarup, who 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 2022-23 are as under:

Name of the Non-Executive & Independent Director	Sitting Fees (Rs.)
Sh. Vivek Gupta	2,40,000
Sh. Santosh Kumar Bishwal	2,25,000
Sh. Sunil Chadha	1,95,000
Sh. Kunal Agarwal	1,80,000
Ms. Ruchika Bansal	75,000
Mr. Ajay B. Baliga	30,000

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended March 31, 2023 except getting sitting fees for the meeting attended by them.

- 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 2022-23, 4 (Four) Remuneration Committee Meetings were held on May 24 2022, August 09 2022, September 26 2022 and November 14 2022. The attendance of Remuneration Committee meeting is as follows:

Members	Designation	No. of Meetings attended
Sh. Santosh Kumar Bishwal	Chairman	2
Sh. Vivek Gupta	Member	4
Sh. Sunil Chadha	Member	4
Sh. Kunal Agarwal	Member	2

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

### COMPOSITION

The constitution of the Stakeholders Relationship Committee as on 31<sup>st</sup> March 2023 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
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, 2022 to March 31, 2023	Nine
Number of Complaints attended/resolved	Nine
Number of Complaints not resolved to the satisfaction of shareholders	Nil
Number of pending complaints as on March 31, 2023	Nil

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

### COMPOSITION

The constitution of the Corporate Social Responsibility (CSR) Committee as on 31<sup>st</sup> March 2023 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 CSR Committee are:

- 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;
- 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 2022-23, 2 (Two) CSR Committee meetings were held on May 24, 2022 and February 14, 2023.

## 7. RISK MANAGEMENT COMMITTEE:

### COMPOSITION

The constitution of the Risk Management Committee as on 31<sup>st</sup> March 2023 is as under:-

Name of the Members	Designation	Designation in the Company
Sh. Kunal Agarwal	Chairman	Independent Director
Sh. Ajay B. Baliga	Member	Non-executive Director
Sh. Shekhar Swarup	Member	Joint Managing Director
Dr. Bhaskar Roy	Member	Executive Director

Terms of reference of the Risk Management Committee are:

- Framing, implementing and monitoring the risk management plan for the Company;
- Laying 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.

During the year 2022-23, 2 (Two) meetings of Risk Management Committee has been taken place vide dated 14<sup>th</sup> November 2022 and 29<sup>th</sup> March 2023. The attendance of Remuneration Committee meeting is as follows:

Members	Designation	No. of Meetings attended
Sh. Santosh Kumar Bishwal	Chairman (until 14 <sup>th</sup> February 2023)	1
Sh. Kunal Agarwal	Chairman (Since 14 <sup>th</sup> February 2023)	1
Sh. Vivek Gupta	Member (until 14 <sup>th</sup> February 2023)	1
Sh. Ajay B. Baliga	Member (Since 14 <sup>th</sup> February 2023)	1
Sh. Shekhar Swarup	Member	2
Dr. Bhaskar Roy	Member	2

## 8. 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
24.09.2022	Registered office:- F-0, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi-110065	03:00 P.M.	Yes
24.09.2021	Registered office:- F-0, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi-110065	03:00 P.M.	Yes
28.09.2020	Registered office:- F-0, The Mira Corporate Suites, Ishwar Nagar, Mathura Road, New Delhi-110065	01:00 P.M.	Yes

### Details of Special Resolutions passed through Postal Ballots during the financial year 2022-23:

Special Resolution under the Provisions of Section 180 (1) (a) of the Companies Act, 2013 to create mortgage/hypothecation and/or charge, on the whole or substantially the whole of the Company's undertakings including present or future properties, whether immovable or movable assets, comprised in any undertaking of the Company, as may be agreed to in favour of the Bank(s), Financial Institution(s). The said postal ballot resolution was passed on 19<sup>th</sup> September 2022 and carried out by the scrutinizer, Sh. Sundeep K. Parashar and the voting details are as follows:-

No. of valid votes casted (through E-voting & postal ballot forms): 16069945.  
Total votes casted in favour of resolution: 16061058 (99.94%)  
Total votes casted against the resolution: 8887(0.06%)

Special Resolution under the Provisions of Section 180 (1) (c) of the Companies Act, 2013 for authorizing Board of Directors of the company for maximum borrowing capacity up to Rs.700crores by enhancing the additional limit of

Rs.300crores from its existing limit of Rs.400crores. The said postal ballot resolution was passed on 19<sup>th</sup> September 2022 and carried out by the scrutinizer, Sh. Sundeep K. Parashar and the voting details are as follows:-

No. of valid votes casted (through E-voting & postal ballot forms): 16069946.

Total votes casted in favour of resolution: 16060978 (99.94%)

Total votes casted against the resolution: 8968 (0.06%)

Ordinary Resolution under the Provisions of Section 152 of the Companies Act, 2013 for appointment of Mr. Ajay Bhaskar Baliga as a Non-executive Director of the company. The said postal ballot resolution was passed on 11<sup>th</sup> February 2023 and carried out by the scrutinizer, Sh. Sundeep K. Parashar and the voting details are as follows:-

No. of valid votes casted (through E-voting & postal ballot forms): 14721913.

Total votes casted in favour of resolution: 14721506 (99.99%)

Total votes casted against the resolution: 407 (0.01%)

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

### i) Related Party Transactions

There have been related party transactions as reflected in Note 44 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 year.

### 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 Nilanjan Sarkar 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, 2023.

**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 2022-23 of which it is a part is as reflected in Note 36 to the financial statements.

**viii) 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

**10. 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](mailto:corporateffice@globusgroup.in); [santoshp@globusgroup.in](mailto:santoshp@globusgroup.in); [ir@globusgroup.in](mailto:ir@globusgroup.in)

**11. GENERAL SHAREHOLDERS INFORMATION**

**a) Annual General Meeting:**

Date & Time	: Saturday, 22nd July 2023 at 12 Noon 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, 2022 to March 31, 2023
c) Book Closure	: From 16th July 2023 to 22nd July 2023(both days inclusive)
d) Dividend	: 60% dividend is proposed on paid up equity share capital of the company and if approved by the Shareholders it will be distributed to the shareholders within the scheduled time of 30 days from the date of AGM 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:

- Bombay Stock Exchange Limited, 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.
- 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 2022-23**

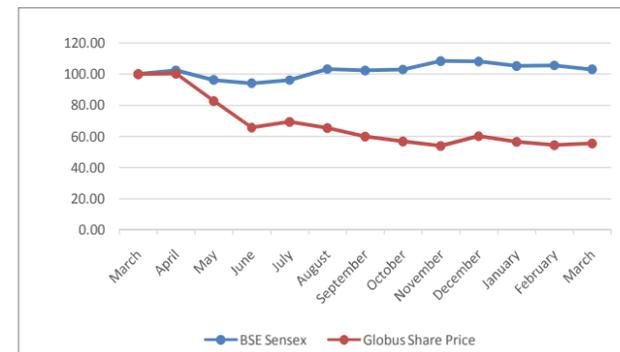
Month	BSE PRICE		NSE PRICE	
	High	Low	High	Low
Apr-22	1640.00	1297.65	1641.40	1300.10
May-22	1444.15	839.15	1445.00	838.85
Jun-22	1046.95	850.00	1056.00	849.80
Jul-22	1081.45	915.00	1084.25	914.95
Aug-22	1092.55	853.55	1094.00	848.15
Sep-22	925.05	826.00	924.00	825.35
Oct-22	868.15	766.05	869.00	770.00
Nov-22	839.50	700.00	839.75	721.50
Dec-22	962.00	781.05	949.00	782.50
Jan-23	860.00	762.35	860.00	762.05
Feb-23	895.00	739.50	896.00	739.00
Mar-23	865.00	756.00	865.50	755.05

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com))

The Company had paid Annual Listing Fees for the Financial Year 2022-23.

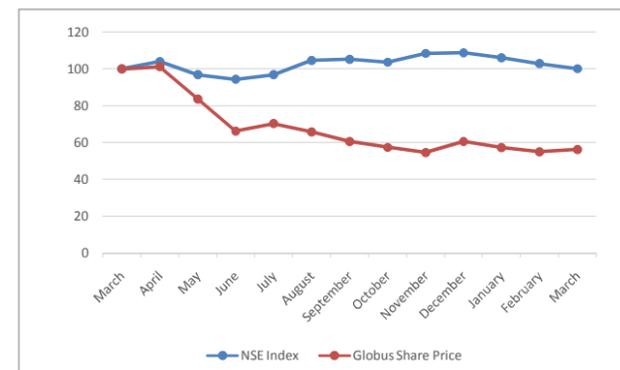
**Performance in comparison with Indices (BSE/NSE)  
Base is 100 as at March 31, 2023**

**BSE**



(Source: [www.bseindia.com](http://www.bseindia.com))

**NSE**



(Source: [www.nseindia.com](http://www.nseindia.com))

**Distribution of Equity shareholding as on March 31, 2023**

No of Equity Shares Held	No. of Share Holders	% of Share Holders	No. of Shares Held	% Share Holding
Up to 500	57,452	97.1128	4269472	14.8231
501 to 1000	1415	1.5713	1075331	3.7334
1001 to 2000	639	0.7096	924439	3.2096
2001 to 3000	208	0.231	524038	1.8194
3001 to 4000	80	0.0888	281301	0.9766
4001 to 5000	45	0.05	206822	0.7181
5001 to 10000	119	0.1321	811661	2.8180
10001 & above	94	0.1044	20709685	71.9018
<b>Grand Total</b>	<b>90052</b>	<b>100.00</b>	<b>2,88,02,749</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, 2023:**

Category	No. Of Share Held	% Of Holding
<b>Equity:</b>		
<b>A. Promoter &amp; Promoter Group</b>		
1. India	1,46,91,720	51.01
2. Foreign	-	-
<b>Total (A)</b>	<b>1,46,91,720</b>	<b>51.01</b>
<b>B. Public</b>		
1. Institutions	29,48,544	10.24
2. Non-Institutions	1,11,62,485	38.75
<b>Total (B)</b>	<b>1,41,11,029</b>	<b>48.99</b>
<b>Grand Total (A+B)</b>	<b>28,802,749</b>	<b>100</b>

### Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on March 31, 2023, 99.996% (28,802,749 shares out of total 28,801,847 equity shares) shares were held in dematerialized form.

### Credit Rating

The Company has been rated by CARE A+ Stable (single A Plus: 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](mailto: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 2022-23, 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
  - 6) Vill : Olda, Block-Baharagora, Tehsil: Ghatshila, Dist:East Singhbhum, Jharkhand

### 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 25<sup>th</sup> May 2023 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 30, 2021 and first addendum to engagement letter dated January 19, 2023 and second addendum to engagement letter dated April 03, 2023.
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, 2023, 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, 2023.
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: 23105546BXMRY6448

Place - New Delhi  
Date - May 25, 2023

# CEO and CFO Certification

## CEO AND CFO Certification under Regulation 17(8) of SEBI (LODR) Regulation, 2015

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

- A. We have reviewed financial statements for the period ending 31<sup>st</sup> March 2023 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)**

(Nilanjan Sarkar)  
CFO

(Ajay K. Swarup)  
Managing Director

Place-New Delhi  
Date- May 25, 2023

# Business Responsibility & Sustainability Report

**Globus Spirits Limited** (Formerly Known as Globus Agronics Limited ) was incorporated in 1993. Today, with a blend of experience-led wisdom and youthful exuberance, Globus Spirits operates with high standards of quality in the spirits business, driven to create value for all our stakeholders. Our presence in multiple segments and price points of the value chain is clearly visible, with well-integrated operations aiding in ensuring quality and cost control.

In accordance with clause (f) of sub-regulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations).Your Company's Business Performance and Impacts are disclosed based on the 9 Principles of the 'National Guidelines on Responsible Business Conduct' ( NGRBC).

## SECTION A: GENERAL DISCLOSURES

### Details of the listed entity

S.No.	Details of Listed Entity	
1	Corporate Identity Number (CIN)	L74899DL1993PLC052177
2	Name of the Listed Entity	GLOBUS SPIRITS LIMITED
3	Year of Incorporation	1993
4	Registered Office Address	F-0, Ground Floor, The Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi 110065
5	Corporate Address	F-0, Ground Floor, The Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi 110065
6	E-Mail	corporateoffice@globusgroup.in
7	Telephone	+91-11-66424600
8	Website	www.globusspirits.com
9	Financial Year for which reporting is being done	1 <sup>st</sup> April 2022-31 <sup>st</sup> March 2023
10	Name of Stock Exchange where shares are listed	BSE 533104 NSE GLOBUSSPR
11	Paid-up Capital	Rs. 288,027,490
12	Name and Contact details of person who has to be contacted for any BRSR Report related Queries	Mr. Santosh Kumar Pattanayak : Company Secretary - santoshp@globusgroup.in Phone Number- +91-11-66424600
13	Reporting Boundary (Standalone/Consolidated Basis)	Standalone

### Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Bulk industrial alcohol and Potable Alcohol (RS/ENA/ETHANOL/IMIL/IMFL/ Others)	Bulk Alcohol, IMFL Bottling, By-Products; Value Spirits and Premium Spirits	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	ENA	2208	15.04%
2	Ethanol	2208	23.10%
3	IMIL	2208	48.13%
4	IMFL	2208	3.59%
5	Others	2208	10.14%

Abbreviations: ENA (External Neutral Alcohol), IMIL (Indian Mfg. Indian Liquor), IMFL (Indian Mfg. Foreign Liquor).

#### I. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6	1	7
International	0	0	0

17. Markets served by the entity:

A. Number of location

Locations	Number
National(No. of States)	States-11
International(No. of Countries)	8 Approx(Countries of Africa and Japan)

B. What is the contribution of exports as a percentage of the total turnover of the entity?

- Contribution of exports as a percentage of the total turnover of the entity is 1.84%.

C. A brief on types of customers:

- GSL caters to the individual /retail customers as well as the industrial customers. GSL business is divided into the following areas-

a) The manufacturing business involves sale of ethanol, ENA and sale of by-products. Ethanol is sold to **OMC (HPCL, IOCL, and BPCL), ENA is sold to MNC's like USL, Pernod, Beam, Bacardi and big domestic liquor companies like ABD, Radico and other country liquor bottlers.** By products predominantly **Animal Feed Supplement (AFS)** is sold to **local customers** who lift the same.

b) Consumer division involves sale of **Country Liquor** (Value segment), liquor in the value plus segment and IMFL (Indian Made Foreign Liquor). These are sold to the **distributors, retailers** etc. depending on the terms of trade and route to market.

#### II. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>EMPLOYEES</b>						
1.	Permanent(D)	417	414	99.04%	4	0.96%
2.	Other than Permanent(E)	4	3	75%	1	25%

3.	<b>Total employees (D+E)</b>	421	417	99%	5	1.18%
<b>WORKERS</b>						
4.	Permanent(F)	475	475	100%	0	0%
5.	Other than Permanent(G)	170	170	100%	0	0%
6.	<b>Total workers (F+G)</b>	645	645	100%	0	0%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent(D)	NIL	NIL	NIL	NIL	NIL
2.	Other than Permanent(E)	NIL	NIL	NIL	NIL	NIL
3.	<b>Total differently abled employees (D+E)</b>	NIL	NIL	NIL	NIL	NIL
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent(F)	NIL	NIL	NIL	NIL	NIL
5.	Other than permanent(G)	NIL	NIL	NIL	NIL	NIL
6.	<b>Total differently abled workers (F+G)</b>	NIL	NIL	NIL	NIL	NIL

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	9	1	11.11
Key Management Personnel	2	0	0

20. Turnover rate for permanent employees and workers

	FY-2022-23 (Turnover rate in current FY)			FY-2021-22 (Turnover rate in previous FY)			FY-2020-21 (Turnover rate in the year prior to the Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	27.8%	0%	27.8%	12.97%	33.3%	46.27%	8%	33.3%	41.33%
Permanent Workers	42.1%	0%	42.1%	44.68%	0%	44.68%	56.66%	0%	56.66%

**III. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. (a) Names of holding/subsidiary /associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures(A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	%of shares held by listed entity	Does the entity indicated at column A; participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	-	-	-	-

**IV. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)- Yes**  
 (ii) Turnover (in Rs.): 2822.47Cr  
 (iii) Net worth (in Rs.): 886.63Cr

**V. Transparency and Disclosures Compliances**

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place(Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY-2022-23 Current Financial Year			FY-2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaint spending resolution at close of the year	Remarks
Communities	Yes (HR Policy manual; <a href="http://www.globusspirits.com/documents/Code_of_Ethics.pdf">http://www.globusspirits.com/documents/Code_of_Ethics.pdf</a> )	0	0	Internal grievance redressal mechanism in place.	0	0	Internal grievance redressal mechanism in place.
Investors (other than shareholders)	Yes (HR Policy Manual; <a href="http://www.globusspirits.com/documents/Code_of_Ethics.pdf">http://www.globusspirits.com/documents/Code_of_Ethics.pdf</a> )	0	0	Internal grievance redressal mechanism in place.	0	0	Internal grievance redressal mechanism in place.
Shareholders	Yes (HR Policy Manual; <a href="http://www.globusspirits.com/documents/Code_of_Ethics.pdf">http://www.globusspirits.com/documents/Code_of_Ethics.pdf</a> )	0	0	Internal grievance redressal mechanism in place.	0	0	Internal grievance redressal mechanism in place.
Employees and workers	Yes (HR Policy Manual; <a href="http://www.globusspirits.com/documents/Code_of_Ethics.pdf">http://www.globusspirits.com/documents/Code_of_Ethics.pdf</a> )	0	0	Internal grievance redressal mechanism in place.	0	0	Internal grievance redressal mechanism in place.

Customers	Yes (HR Policy Manual; <a href="http://www.globusspirits.com/documents/Code_of_Ethics.pdf">http://www.globusspirits.com/documents/Code_of_Ethics.pdf</a> )	0	0	Customer complaint cell is established	0	0	Customer complaint cell is established
Value Chain Partners	Yes (HR Policy Manual; <a href="http://www.globusspirits.com/documents/Code_of_Ethics.pdf">http://www.globusspirits.com/documents/Code_of_Ethics.pdf</a> )	0	0	Internal grievance redresser mechanisms are in place	0	0	Internal grievance redresser mechanisms are in place

24. Overview of the entity's material responsible business conduct issue

S.No.	Material identified	Indicate Whether risk or opportunity (R/O)	Rationale for Identifying the risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial Implications Of the risk or Opportunity (Indicate positive or Negative implications)
1	Energy Optimization and management	Opportunity	Optimization of energy use leads to reduced climate related risks due to high carbon footprint on account of high energy consumption. • Decreased direct and indirect use of fossil fuels • Reduced indirect impact on environment	Multiple action plans have been initiated and executed to improve energy efficiency: 1. Transition to use of more efficient devices with 5-star rating, 2. Responsible usage of electricity, 3. Usage of innovative technologies to optimize and improve energy efficiency in distillation processes (improving efficiency of fermentation process to give 100% alcohol)	Positive implication
2	Natural disaster	Risk	Most of our business operations are located in areas prone to natural disasters like: 1. Flooding 2. Earthquake (Being in seismic zone IV. & V) In case of any natural disaster, there may be an impact resulting in: Disruption in business activities Damage of infrastructure Employee safety becomes at risk	1. Disaster Management plans is in place. 2. Simulation of the various disaster scenarios is periodically Undertaken 3. Regular monitoring of critical controls to reflect readiness of the infrastructure and processes 4. Periodic training Programs are undertaken to keep the ERT team always prepared 5. Plans for engage outsourcing part of activities in case of emergencies is under discussion partners and	Negative implications

3	Board independence	Opportunity	Strict compliance with the Anti-corruption and Anti-Bribery policies Business conduct focusing on Integrity, Compliance and Ethics Diversity & Inclusivity is encouraged	No discrimination and encouragement of diversity in board through Nomination and Remuneration committee	Positive Implications
4	Transparency in Business conduct	Opportunity	Ethical business conduct Respecting interests of all stakeholders	Following "code of conduct for directors" to ensure ethical, transparent business conduct	Positive implications
5	Efficient waste management and disposal	Opportunity	Efficient waste management helps manage and reduce risk of released process waste released which can be liquid, gaseous, solid type and may include both hazardous and non- hazardous classification Safe handling and disposal of waste reduces risk to the community and environment.	Organization is presently segregating the waste produced at the source itself and has authorized vendors to further safely handle different types of wastes. The entity is also deploying controls to ensure compliance with the environmental consents obtained. Further, new ways are being devised to recycle, reuse and deploy the effluent and process waste for safe application and disposal. Further, alternate ways to use spent raw material to ensure better waste management are being explored. Waste management strategies involving color coding of bins, waste segregation, giving e-waste to authorized vendors for recycling and safe disposal & safely handling of hazardous waste are also followed	Positive implications

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y		Y	Y	Y	Y
c. Web Link of the Policies, if available	<a href="https://www.globusspirits.com/documents/key-policies/Risk-Mgmt-Policy.pdf">https://www.globusspirits.com/documents/key-policies/Risk-Mgmt-Policy.pdf</a> , <a href="https://www.globusspirits.com/documents/key-policies/Policy-on-Material-Subsidiary.pdf">https://www.globusspirits.com/documents/key-policies/Policy-on-Material-Subsidiary.pdf</a> <a href="https://www.globusspirits.com/documents/key-policies/RPT-Policy.pdf">https://www.globusspirits.com/documents/key-policies/RPT-Policy.pdf</a> , <a href="http://www.globusspirits.com/privacy_policy.php">http://www.globusspirits.com/privacy_policy.php</a>								
2. Whether the entity has translated the policy into procedures. (Yes /No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	No Evidence to Support the requirement could be provided							
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustee) standards (e.g.SA8000, OHSAS, ISO, BIS) adopted by your Entity and mapped to each principle.	ISO 22000: 2018 The Company has obtained ISO 22000: 2018 certifications for the plant of the Company situated at Panagarh, West Bengal. ISO 14001 :2004 The Company had obtained ISO 14001 :2004 certification for the plants of the Company situated at Samalkha in the state of Haryana and the other one situated at Behror in the state of Rajasthan . The Company is in the process of further reimplementation and renewal of the said certifications. OHSAS 18001 :2007: The Company had obtained ISO 14001:2004 certifications for the plants of the Company situated at Samalkha in the state of Haryana and the other one situated at Behror in the state of Rajasthan. The Company is in the process of further reimplementation and renewal of the said certifications.								
5. Specific commitments, Goals and targets Set by the entity with defined time lines, if any.	The company is committed to better performance in terms of product excellence, marketing excellence, organizational excellence and manufacturing excellence.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Product excellence has been enhanced by producing and using highest quality of "ENA" or Extra Neutral Alcohol. 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 of high purity and quality. Marketing excellence strategy has been in pioneering branding at the bottom of the pyramid 'IMIL' market as well as creating innovative 'IMFL' brands. Organizational excellence achieved through the entity's unique 360° business model, allowing for high capacity utilization and operation of high standards of Corporate Governance creating value for all of its stakeholders. Manufacturing excellence was achieved by establishing world-class, fully integrated, earth-friendly distilleries that produce reliable products at better efficiencies. The entity's Financial Year 2023 show IMIL business has grown from 42% in Financial Year 2022. Similarly the growth in IMFL business has grown from 0.3% in Financial Year 2022 to 3.59% in Financial Year 2023. In addition realization Consumer business improved to Rs.517/case in Financial Year 2023 from Rs.464?case in Financial Year 2022.								

Governance, leadership and oversight																					
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements  (listed entity has flexibility regarding the placement of this disclosure)	<p>Globus Spirit is committed to ensure preservation of the environment, positively contributing to the sustainable development of the society, while ensuring continued compliance with the applicable governance requirements. The commitment is evident in all the activities undertaken at strategic and operational level across all locations of the group. Compliance is the core to all activities at Globus Spirit.</p> <p>Board of Directors of the company has specifically communicated their commitment to comply with all applicable legal and regulatory requirements. Involvement of the leadership team and the office staff in multiple environmental and social welfare initiatives undertaken as part of the various CSR activities are also an evidence of the company's strong resolve to positively contribute towards environmental and social wellbeing.</p> <p>The company's sincere commitment to compliance is evident from the strict deployment of the Code of Conduct and Ethics, which is followed by all within the organization from the Directors, Senior Management personnel to the employee at the last pedestal within the organization. Vendors engaged by the organization are also evaluated and are expected to conform to the applicable legal &amp; regulatory requirements. Globus Spirit makes all efforts to ensure transparency and integrity in the company's business conduct. Our vigil mechanism and prevention of insider trading policy prevents misuse of data and ensures transparency and ethical business conduct.</p> <p>Globus Spirits ensure conformance with the available environmental consents obtained for each of the facility. Further, efforts are made towards adopting new technological controls to ensure continual improvement in the various sustainability goals as per the defined global guidelines and standards. Innovation is one the core values here at Globus Spirits limited and we reflect the same in our constant endeavors like ensuring conversions to alcohol at higher efficiencies through installation of newer and more advanced technologies, improving distillation techniques and exploring alternate disposals of spent grain to improve our waste disposal strategies.</p> <p>We, at Globus spirits, take pride in our strong risk and opportunities-based process framework which helps our organization to proactively identify the risks and effectively mitigate the same to acceptable levels, while ensuring adequate leverage from the inherent opportunities to consistently drive our organization on the path of continual improvements.</p>																				
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<table border="1"> <thead> <tr> <th colspan="4">Board of Directors</th> </tr> <tr> <th>S.No.</th> <th>Name of Director</th> <th>DIN</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mr. Ajay Kumar Swarup</td> <td>00035194</td> <td>Managing Director</td> </tr> <tr> <td>2</td> <td>Mr. Shekhar Swarup</td> <td>00445241</td> <td>Executive Director</td> </tr> <tr> <td>3</td> <td>Dr. Bhaskar Roy</td> <td>02805627</td> <td>Executive Director</td> </tr> </tbody> </table>	Board of Directors				S.No.	Name of Director	DIN	Designation	1	Mr. Ajay Kumar Swarup	00035194	Managing Director	2	Mr. Shekhar Swarup	00445241	Executive Director	3	Dr. Bhaskar Roy	02805627	Executive Director
Board of Directors																					
S.No.	Name of Director	DIN	Designation																		
1	Mr. Ajay Kumar Swarup	00035194	Managing Director																		
2	Mr. Shekhar Swarup	00445241	Executive Director																		
3	Dr. Bhaskar Roy	02805627	Executive Director																		
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on Sustainability related issues? (Yes / No). If yes, provide details.	<table border="1"> <thead> <tr> <th>S.No.</th> <th>Members of Committee</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>2</td> <td>Mr. Ajay Bhaskar Baliga</td> <td>Non-Executive - Non Independent Director</td> </tr> <tr> <td>3</td> <td>Mr. Kunal Agarwal</td> <td>Non-Executive - Independent Director</td> </tr> <tr> <td>4</td> <td>Mr. Bhaskar Roy</td> <td>Executive Director</td> </tr> <tr> <td>5</td> <td>Mr. Shekhar Swarup</td> <td>Executive Director</td> </tr> </tbody> </table>	S.No.	Members of Committee	Designation	2	Mr. Ajay Bhaskar Baliga	Non-Executive - Non Independent Director	3	Mr. Kunal Agarwal	Non-Executive - Independent Director	4	Mr. Bhaskar Roy	Executive Director	5	Mr. Shekhar Swarup	Executive Director					
S.No.	Members of Committee	Designation																			
2	Mr. Ajay Bhaskar Baliga	Non-Executive - Non Independent Director																			
3	Mr. Kunal Agarwal	Non-Executive - Independent Director																			
4	Mr. Bhaskar Roy	Executive Director																			
5	Mr. Shekhar Swarup	Executive Director																			

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against Above policies and follow up action	As a practice, BR policies of the company are reviewed periodically or on a need basis by department heads and Risk Management committee. During this assessment, the efficacy of the policies is reviewed and any changes needed are discussed and implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The organization is in compliance with all regulations as applicable. No evidence of any deviation from the applicable compliance could be seen during the sampling assessment. Further, a confirmation was provided by the compliance head on 100% compliance with applicable requirements.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	Yes, policies are reviewed by external ISO auditors as a part of Environment Health and Safety Management System assessment and certification process.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/ No)	NA								
Any other reason (please specify)	NA								

**SECTIONC: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**ESSENTIAL INDICATORS**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total Number of Training and awareness Programs held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	2	POSH Training, Ethics training on business practices	100%
Key Managerial Personnel	2	POSH Training, Ethics training on business practices, Human rights issues	100%
Employees other than BoD and KMPs	83	Skill Development, Ethics, Team Building, Health and safety	27.34%
Workers	78	Skill Development, Ethics, Team Building, Health and safety	32.74%

2. Details offense / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

- For FY23, there were no cases pending pertaining to unfair trade practices, irresponsible advertising and/or anti-competitive behavior. Additionally, there were no cases of corruption, with reference to the employees or the business partners.

**Monetary Compensation**

MONETARY	NGRBC Principle	Name of Regulatory/ Enforcement Agencies/judicial Institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred (Yes/No)	Is Evidence available? (Yes/No)	Attach Evidence if available
Penalty/Fine	-	-	-	-	-	-	-
Settlement Fee	-	-	-	-	-	-	-
Compounding Fee	-	-	-	-	-	-	-

**Non- Monetary Compensation**

NON-MONETARY	NGRBC Principle	Name of Regulatory/ Enforcement Agencies/judicial Institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred (Yes/No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

S.No.	Question	Confirmation, if no, then give details of the reason	Brief Details of the reason	Provide Web-link/Evidence Available of the same
1	Does entity have anti-corruption or anti-bribery policy	Yes	To ensure ethical and transparent business conduct in line with the core values of the company	Whistle Blower Policy (web link to the policy: <a href="https://www.globusspirits.com/documents/key-policies/Whistle-Blower-Policy.pdf">https://www.globusspirits.com/documents/key-policies/Whistle-Blower-Policy.pdf</a> <a href="http://www.globusspirits.com/documents/Code of Ethics.pdf">http://www.globusspirits.com/documents/Code of Ethics.pdf</a> <a href="https://www.globusspirits.com/documents/key-policies/Code-of-Conduct-Globus.pdf">https://www.globusspirits.com/documents/key-policies/Code-of-Conduct-Globus.pdf</a>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

- No Directors/KMPs/employees/workers were involved in bribery/corruption both in FY 2022-23 and FY2021-22. On above grounds, no action was taken by any law enforcement agency.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

-No complaints were received with regard to conflict of interest against Directors/KMPs in FY23 and FY 22.

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	None, not applicable	NIL	None, not applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	None, not applicable	NIL	None, not applicable

7. Provide details of any corrective action taken or underway on issues related to fines/Penalties action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

- Not applicable

S.No.	Corrective Action	Details	Regulators/Law Enforcement agency Concerned	Evidence available
-	-	-	-	-

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

**ESSENTIAL INDICATORS**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
<b>R&amp;D</b>	-	-	-
<b>Capex</b>	5.50 crore	4 crore	Unit has the facility to maintain the ZLD with MEE followed by decanter and dryers. Unit has invested approx. 5.50 cr on the facility in the current financial year to improve. Units also have the ESP to maintain the air emission norms to reduce the carbon foot print.

1. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No formal “sustainable sourcing process presently in place” Formulations of sustainable sourcing framework in accordance with ISO 20400 is currently being reviewed and resulting progress will be reported in the next year.

- b. If yes, what percentages of inputs were sourced sustainably?

2. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

S. No.	Category	Process in Place
A	Plastics (including packaging)	Resale to manufacturers
B	E-Waste	Disposing to PCBs authorized vendor for recycling and safe disposal
C	Hazardous Waste	Send oil to authorized vendor recycling/reusing.
D	Other Waste	NA

3. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

S.No.	Information required	Information
a	Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities.	Presently there are no such requirements applicable to GSL and no process framework or plan is available. Review of the applicability and the process of establishing the EPR is presently under progress.
b	Whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?	Yes, waste segregation and appropriate process for the collection and safe dispatch to the PCB authorized vendors is followed at all the locations.
	If not, provide steps taken to address the same.	N.A

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D/A)	Number (E)	% (E /A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	413	413	100%	413	100%	413	100%	413	100%	413	100%
Female	4	4	100%	4	100%	4	100%	4	100%	4	100%
Total	417	417	100%	417	100%	417	100%	417	100%	417	100%
<b>Other than Permanent employees</b>											
Male	3	3	100%	3	100%	3	100%	3	100%	3	100%
Female	1	1	100%	1	100%	1	100%	1	100%	1	100%
Total	4	4	100%	4	100%	4	100%	4	100%	4	100%

- b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D /A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	475	475	475	475	475	475	475	475	475	475	475
Female	0	0	0	0	0	0	0	0	0	0	0
Total	475	475	475	475	475	475	475	475	475	475	475
<b>Other than Permanent workers</b>											
Male	170	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	170	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	77.45%	95.15%	Y	71.40%	92.45%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	0%	33%	Y	0%	57.142%	Y
Others	0%	0%	N.A	0%	0%	N.A

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps is being taken by the entity in this regard.

- Yes, the premises/offices are accessible to differently abled employees and workers as per the requirements of the rights of persons with disabilities act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

- Yes, HR Policy covers all aspects of Equal Opportunity Policy relevant to the entity. HR Policy is available to the employees and workers as a manual. Web-link of the same is unavailable.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work Rate	Retention rate	Return to work Rate	Retention rate
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, company has a complaint and grievance reporting process in place. All employees are free to reach and report any of their grievance directly to the HR SPOCs at their respective locations
Other than Permanent Workers	Yes, company has a complaint and grievance reporting process in place. All Temporary employees are free to reach their Function Lead or the HR SPOC of the respective locations to report any grievance directly or through their unions at their respective locations
Permanent Employees	Yes, company has a complaint and grievance reporting process in place. All employees are free to reach and report any of their grievance directly to the HR SPOCs at their respective locations
Other than Permanent Employees	Yes, company has a complaint and grievance reporting process in place. All Temporary employees are free to reach their Function Lead or the HR SPOC of the respective locations to report any grievance directly or through their representative unions at their respective locations

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	417	24	5.75%	395	22	5.56%
- Male	413	24	5.8%	395	22	5.56%
- Female	4	-	-	2	-	-
Total Permanent Workers	475	0	0	0	0	0
- Male	475	0	0	0	0	0
- Female	0	0	0	0	0	0

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year				FY 2021-22 Previous Financial Year					
	Total (A)	On Health and safety measures	On Skill up gradation		Total (D)	On Health and safety measures	On Skill up gradation			
	No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E/D)	No. (F)	% (F / D)		
<b>Employees</b>										
Male	413	54	6.36%	27	4.07%	393	25	6.36%	16	4.07%
Female	4	2	66.67%	1	66.67%	3	2	66.67%	2	66.67%
Total	417	56	6.8%	28	4.5%	396	27	6.8%	18	4.5%
<b>Workers</b>										
Male	645 (475+170)	146	22.63%	63	9.76%	473 (329+144)	128	27.06%	50	10.57%
Female	0	0	0	0	0	0	0	0	0	0
Total	645 (475+170)	146	22.63%	63	9.76%	473 (329+144)	128	27.06%	50	10.57%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	414	352	85.02%	393	205	52.16%
Female	3	3	100%	3	2	66.6%
Total	417	355	85.13%	395	207	52.27%
<b>Workers</b>						
Male	475	89	18.73%	473	473	100%
Female	-	-	-	-	-	-
Total	475	89	18.73%	473	473	100%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The occupational health and safety management system has been implemented in accordance with the requirements of OHSAS 18001:2007 to cover the following location

- Samalkha, Haryana, India
- Behror, Rajasthan, India
- Panagarh, West Bengal, India

- b. What are the processes used to identify work-related hazards and assess risks on a Routine and non-routine basis by the entity?

The company assesses their suppliers and focuses monitoring of health and safety conditions for employees and workers. The entity undergoes SMETA (Sedex Members Ethical Trade Audit) Four Pillar Audits to ensure health and safety, environment assessment, hygiene and upholding of human rights.

Risk Assessment, as a part of OHSAS 18001:2007, the company (plants: Behror, Samalkha, Panagarh) has a risk and opportunity framework in place and properly maintained with respect to HESAP/ HIRA/ISO 14001: 2004/ OHSAS 18001:2007.

c. Whether you have processes for workers to report the work related hazards and to Remove themselves from such risks. (Y/N)

Yes, reporting and monitoring of leakage, induction and fire safety trainings are performed to inform workers about risks and safety processes to be followed.

d. Do the employees/ worker of the entity have access to non-occupational medical? and healthcare services? (Yes/ No)  
Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	1	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

A risk based Occupational health and safety framework in accordance with OHSAS 18001:2007 is in place at each of our manufacturing units and head office. We ensure security of our employees and workers along with creating and promoting a harmonious, safe and an environment which supports equal and fair treatment. We have a whistle blower policy in place which helps employees work in and maintain a transparent and ethical business environment.

- HR Manual of the company ensures fair treatment of employees and workers along with following all regulations relevant for ensuring well-being of employees and workers.

We have a clear color-coding system for waste segregation on plants and office premises. Our hazardous waste (oil) is stored separately and supplied safely to vendors for further processes. We have put signage and posters over visible parts of our facilities providing safety instructions to workers and employees in regards to fire safety, safety from certain device handling which may be harmful to the staff. Training programs are also conducted on safety procedures for employees and workers to ensure a safe and healthy workplace.

13. Number of Complaints on the following made by employees and workers:

- Globus Spirits has not received any complaint on "Health & Safety" and "Working Conditions" in FY2022-23 and FY 2021-22. However, the Company encourages its employees and contractor workers to proactively submit safety observations and report unsafe acts and conditions at workplace as a preventive action.

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
SMETA Audits (Ethical trade audit- Health and safety, hygiene)	100%
Internal Audits (Occupational health and safety)	Approx. 75% of the plants were assessed
Internal audits (Environmental Management System)	Approx. 75% of the plants were assessed

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable as no incident requiring any corrective action was reported during the reporting period

#### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

##### ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Key stakeholder groups include all the groups of people affected by the company and have an interest in company and its various operations. We make sure to include vendors, suppliers and local community in our stakeholder groups to ensure transparency, accountability and inclusivity in our processes.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	NO	Website, E-Mail, newspaper advertisement	Periodically as per the Companies law. Shareholders and investor communities are being informed regarding performance of the company every quarterly and also event based all the key material events are being informed to the shareholders and investor community under regulation 30 of SEBI (LODR) on happening of each material event. And also outcome of the Board and committee meetings as well as shareholders meeting outcome and voting results are also informed to the shareholders on timely basis.	Reporting to the shareholders of the business performance, annual reports and notices for general and extra-ordinary meetings, as applicable

<b>Investors</b>	No	Website, E-Mail	Shareholders and investor communities are being informed regarding performance of the company every quarterly and also event based all the key material events are being informed to the shareholders and investor community under regulation 30 of SEBI (LODR) on happening of each material event. And also outcome of the Board and committee meetings as well as shareholders meeting outcome and voting results are also informed to the shareholders on timely basis.	Business performance
<b>BoDs</b>	No	Website, E-Mail	The Board of Directors and KMPs meet every quarterly and accordingly they discuss and evaluate the performances of the company each quarterly	Business performance
<b>KMPs</b>	No	Website, E-Mail	The Board of Directors and KMPs meet every quarterly and accordingly they discuss and evaluate the performances of the company each quarterly.	Generally the information shared is relating to the strategic and operations business requirements
<b>Permanent Employees</b>	No	Website, E-Mail, notice board in the local language for ease of their understanding	Periodically, The periodicity may vary depending on the nature of information shared	Generally the information shared is relating to their personal wellbeing and operational business requirements
<b>Employees (Other than Permanent)</b>	No	Website, E-Mail, notice board in the local language for ease of their understanding	Periodically, The periodicity may vary depending on the nature of information shared	Generally the information shared is relating to their personal wellbeing and operational business requirements
<b>Workers (Other than Permanent)</b>	No	Website, E-Mail, notice board in the local language for ease of their understanding.  Also, verbal communications are also held periodically through their concerned location team and supervisors as applicable.	Periodically, the periodicity may vary depending on the nature of information shared.	Generally, the information shared is relating to their personal wellbeing and operational business requirements
<b>Farmers</b>	No	Personal Meetings	Periodically at the time of Procurement of the raw material or else relating to their welfare	Meetings are held with the farmers relating to the company's welfare policies and also relating to the produce purchase
<b>Transporters</b>	No	Meetings and instruction circulars	Periodically as based on the Business Requirements	The Business Transactions to be shared and also their welfare at periodic intervals

<b>Community</b>	No	Community meetings	As and when required. For simulation of emergency preparedness drills, it is periodically as per the plan	Generally, for the welfare of the community and to inform them on the specific activities relating to the emergency preparedness simulation drills at the organization
<b>Consumer</b>	No	Website, complaint and feedback cell	Ongoing on products and related aspects.	Information relating to the products and their related specifications, features and other relevant aspects are communication either on specific communications with the Industrial customers or through the website for the retail consumers.

**PRINCIPLE 5 Businesses should respect and promote human rights**

**ESSENTIAL INDICATORS**

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	417	65	15.58%	395	60	15.185
Other than permanent	4	4	100%	1	0	0
<b>Total Employees</b>	<b>421</b>	<b>69</b>	<b>16.3%</b>	<b>396</b>	<b>60</b>	<b>15.15%</b>
<b>Workers</b>						
Permanent	475	103	21.68%	240	60	25%
Other than permanent	170	0	100%	134	15	11.19%
<b>Total Employees</b>	<b>645</b>	<b>103</b>	<b>15.96%</b>	<b>374</b>	<b>75</b>	<b>20.05%</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	413	0	0	413	100%	393	393	100%	393	100%
Male	4	0	0	4	100%	3	3	100%	3	100%

Female	417	0	0	417	100%	396	396	100%	396	100%
Other than Permanent	413	0	0	413	100%	393	393	100%	393	100%
Male	4	0	0	4	100%	3	3	100%	3	100%
Female	417	0	0	417	100%	396	396	100%	396	100%
<b>Workers</b>										
Permanent	475	0	0	475	100%	473	473	100%	473	100%
Male	475	0	0	475	100%	473	473	100%	473	100%
Female	0	0	0	0		0	0	Nil	0	
Other than Permanent	170	0	0	170	100%	170	170	100%	170	100%
Male	170	0	0	170	100%	170	170	100%	170	100%
Female	0	0	0	0		0	0	Nil	0	Nil

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	6,79,99,992	0	NA
Key Managerial Personnel	2	1,12,97,448	0	NA
Employees other than BoD and KMP	412	37,20,64,198	3	35,34,796
Workers	475	20,22,45,612	0	NA

Net Median remuneration: Rs 313,190/-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, the responsibilities for all such situations is with the HR/ IR team SPOCs at the respective locations

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The entity regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed.

We are committed to maintain a safe and harmonious business environment and workplace for everyone, irrespective of the ethnicity, region, sexual orientation, race, caste, gender, religion, disability, work, designation and such other parameters.

Globus spirits limited believes that every workplace shall be free from violence, harassment, intimidation and/or any other unsafe or disruptive conditions, either due to external or internal threats.

Accordingly, Globus Spirits Limited has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity.

We, as an entity have zero tolerance towards and prohibit all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological or verbal abuse.

As a matter of policy, Globus Spirits Limited does not hire any underage employee or engage with any agent or vendor against their free will.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Mechanisms are covered under the HR Policy. There is a firm internal process of ensuring anonymity and any form of harassment of violence is prohibited to ensure safety of complainant. Anonymity and strict data security and management is ensured along with stringent rules regarding ensuring employee security and violence and harassment -free workplace

8. Do human rights requirements form part of your business agreements and contracts?

- Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	All our offices and plants are compliant with all the laws and regulations applicable and periodic evaluation and the reporting is deemed to be reported unless an objection has been raised otherwise.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

- NA

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**ESSENTIAL INDICATORS**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	131953608	86232384
Total fuel consumption (B)	299270585	251544587
Energy consumption through other sources (C)	1568025	916802
Total energy consumption (A+B+C)	133521633	87149186
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.0063 (joules/Rs.)	0.0055 (joules/Rs.)
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

- NA

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

- PAT Scheme is not applicable to the entity as distilleries are not included in the energy intensive industries outlined in the PAT Scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	970821	680811
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	970821	680811
Total volume of water consumption (in kilolitres)	970821	680811
Water intensity per rupee of turnover (Water consumed / turnover)	460.31 (KI/Crs)	431.12 (KI/Crs)
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency?

- NO

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. Yes, the entity has implemented a zero liquid discharge policy for all its plants and relevant procedures are in place and well-implemented and the entirety of plants are covered under the zero liquid discharge policy. The ZLD process includes MEE (Multi effect Evaporation) followed vapor integration Plant and rotary tube bundle dryers. It has been installed in the plants to ensure zero liquid discharge. The entity is in compliant with all environmental regulations and laws of the land relevant to it.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	Mg/Nm3	106	72.45
SOx	Mg/Nm3	81.8	48.15
Particulate matter	Mg/Nm3	147.97	95.45
(PM)	-	Nil	Nil
Persistent organic	-	Nil	Nil
pollutants (POP)	-	Nil	Nil
Volatile organic	-	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency?

- NO

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 Eq.	Not being presently done	Not being presently done

Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric Tonnes of CO2 Eq.	Not being presently done	Not being presently done
Total Scope 1 and Scope 2 emissions per rupee of turnover		Not being presently done	Not being presently done
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not being presently done	Not being presently done

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency?

- NO

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

CO2 Collection plant is available in installed in our plants. Our 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. Globus Spirits developed a strategy to increase Steam Turbine Power generation in factories. Each of our plants generates >3MW energy from waste.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	649416	589429
E-waste (B)	0	117 kg
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	664	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	423 liter
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	650080 (Excluding 423 liter)	589429 Kg
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	0	0
(ii) Land filling	0	0
(iii) Other disposal operations	0	0
Total	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

- NO

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- The entity has installed Multi effect evaporator followed by Decanters and rotary tube Bundle Dryers in all its plants.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

S. No.	Location of operations/offices	Type of operations	Whether the conditions of Environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA	NA	NA	NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Project: Grain based distillery (120 KLPD) along with co-generation power plant (5MW) MY M/S Globus Spirits Limited at Village Olda, district Singhbhum, Jharkhand (Regarding Extension of validity of Environmental clearance to 3 years for implementation of project.)	EIA Notification dated 14th September 2006	<ul style="list-style-type: none"> <li>Approval for extension granted till 21st September 2024</li> <li>EC Granted: 22nd September 2014</li> </ul>	Yes	Public Consultation took place during the EIA on 10th Feb, 2014	-

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules there under (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	The entity is compliant with all applicable environmental laws, regulations, guidelines and provisions of India such as Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and control of pollution) Act, 1981, the Environment Protection Act, 1986, Hazardous Wastes (Management and Handling Rules, 2003/2008/2016, public liability Insurance act, 1991 along with their amendments and rules.			

**PRINCIPLE 7 Businesses, when engaging in influencing public and Regulatory policy, should do so in a manner that is responsible and transparent**

**ESSENTIAL INDICATORS**

1. A. Number of affiliations with trade and industry chambers/ associations.  
- We are affiliated with two trade and Industry chambers/ associations.
- B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	PHD Chamber of Commerce	National
2	All India Distillery Association	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

**ESSENTIAL INDICATORS**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	- SMETA	-	-	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community. Community complaints are recorded and resolved through complaint forum, community is made aware of policies and procedures through our website www. globusspirits.com.

- Discussions with community are also held where concerns of community are heard. Several CSR Activities of supporting nearby villages and community also leads to understanding of their concerns and grievances. A proper cell dedicated to resolve complaints by local community is in process of being proposed and planned.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	3.98%	3.53%
Sourced directly from within the district and neighboring districts	Not available	Not available

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**ESSENTIAL INDICATORS**

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
  - Consumer complaint cells are available and in place to receive and respond to consumer complaints and feedback.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable. However, all our products contain general information, appropriate warnings with respect to environmental and social parameters relevant to the products; safe and responsible usage and safe disposal of the product container.
Safe and responsible usage	General Information:
Recycling and/or safe disposal	<ul style="list-style-type: none"> <li>Branding</li> <li>MRP</li> <li>Manufacturing unit address</li> <li>Reg. office address</li> <li>FSSAI License number</li> <li>Customer care phone number and Mail ID</li> <li>Ingredients</li> <li>Quantity and strength declarations</li> <li>Batch number and date of manufacturing</li> <li>Bar code</li> <li>Excise mandates as per state excise regulation</li> <li>Country of Origin</li> </ul> <p>Warnings:</p> <ul style="list-style-type: none"> <li>"Be safe: Do not drink and drive"</li> <li>"Consumption of liquor is injurious to health"</li> <li>Appropriate warnings for the manufacturing segment are also duly present.</li> </ul>

- Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	NA	All consumer complaints are received at complaint forum. Process of segregation of complaints on basis of certain categories mentioned in SEBI BRSR Format is in process of being planned and implemented	Nil	NA	All consumer complaints are received at complaint forum. Process of segregation of complaints on basis of certain categories mentioned in SEBI BRSR Format is in process of being planned and implemented
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

- Yes, policy on cyber security and framework for risks related to data privacy are covered under our IT Policy.

- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

- Nil

# Independent Auditor's Report

## Report on the Financial Statements

### To The Members of Globus Spirits Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Globus Spirits Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 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, 2023, 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 of the 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 Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

#### Emphasis of Matter

Attention is invited to note 47 of the financial statements, relating to the search and seizure carried out by the Income Tax Department from January 30, 2023 to February 03, 2023. As stated in the said note, whilst uncertainty exists regarding the outcome of the search and seizure, the Company after considering all available information and facts as of date, has not identified adjustments, if any, that may be required to the financial statements.

**Our opinion is not modified in respect of this matter.**

#### 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a

separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Indirect Tax proceedings (Refer note 1.3(XI) and note 32(a)(iii) and (iv) to the financial statements):</p> <p>The Company has indirect tax matters (Goods and Service Tax and Haryana Value Added Tax) which are subject to ongoing proceedings before various judicial forums and involves use of significant judgement by the management in evaluating the likely outcome.</p> <p>The amounts involved are significant, and the review of these matters requires application and interpretation of tax laws and reference to applicable judicial pronouncements.</p> <p>In light of the uncertainties involved and use of significant management judgements in determining the likely outcome of these indirect tax matters, we determined this to be a key audit matter.</p>	<p>Principal audit procedures performed included:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the Company's process for evaluating the outcome of indirect tax matters. Tested the design and implementation of controls and operating effectiveness of controls relating to the management's evaluation of indirect tax matters.</li> <li>Obtained management's evaluation regarding the expected outcome, latest correspondence with the concerned authorities, legal advice obtained by management from the external legal counsel on the indirect tax matters. Assessed the competency of the external legal counsel engaged by the management.</li> <li>We involved our internal indirect tax specialist, who obtained an understanding of the current status of the matters, reviewed legal advice obtained by the management and considered relevant legal provisions and available precedents to challenge management's underlying assumptions in estimating the possible outcome of these matters.</li> <li>We assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.</li> </ul>

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

- The Company's Board of Directors is responsible for the 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 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 financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- 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 Financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### Auditor's Responsibility for the Audit of the Financial statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and

perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid 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 March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of 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 financial statements. Refer note 32 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 40(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 32 to the financial statements.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that

the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 50 to the financial statements.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 50 to the financial statements.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 49 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("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: 23105546BGXMRZ2046

Place: Gurugram  
Date: May 25, 2023

## 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 with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Globus Spirits Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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

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

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2023, based on the criteria for internal financial controls with reference to financial statements 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: 23105546BGXMRZ2046

Place: Gurugram  
Date: May 25, 2023

## 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)

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

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, (Capital work-in-progress and relevant details of right-of-use assets).

The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.

No material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed and Memorandum of Entry provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, 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/confirmation received by us from lenders.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for (goods-in-transit and stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) (a) The Company has not made any investments in, provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties other than the loans to employees during the year.

Particulars	Loans
A. Aggregate amount granted / provided during the year to employees	₹18.19 Lacs
B. Balance outstanding as at balance sheet date in respect of above cases	₹ 1.76 Lacs

(b) The terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (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) (a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, duty of Excise, Value Added Tax, Central Sales Tax and cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, duty of Excise, Value Added Tax, Central Sales Tax and cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

(₹ in Lacs)

Name of statute	Nature of Dues	Amount due*	Amount unpaid*	Period to Which the Amount Relates	Forum where dispute is pending
Excise Laws	Excise Duty	169.69	169.69	FY 1995-96, 2004-10	High Court of Rajasthan and High Court of Punjab and Haryana
		11.12	11.12	FY 1996-97	Appellate authority up to commissioner's level

Sales Tax Laws	Sales Tax	324.68	324.68	FY 2004-06, 2007-08, 2009-10	Supreme Court of India
		1,084.01	1,084.01	FY 2010-17	Various Judicial forums.
		2.43	2.43	FY 2017-18	Appellate authority up to commissioner's level
		75.10	75.10	FY 2018-19	Appellate authority up to commissioner's level
Goods and Services Tax Laws	Goods and Services Tax	7.50	7.50	FY 2017-18	Appellate authority up to commissioner's level
Income Tax Laws	Income Tax	196.61	196.61	AY 2017-18	Appellate authority up to commissioner's level

\*Amount as per demand orders including interest and penalty wherever indicated in the Order.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, the funds raised on short term basis have not been utilised for long term purposes.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) and (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and

hence reporting under clause (x)(b) of the Order is not applicable to the Company.

- (xi) (a) To the best of our knowledge, 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.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year April 2022 to March 2023 for the period under audit.
- (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 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. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

**Rajesh Kumar Agarwal**  
(Partner)  
(Membership No. 105546)  
UDIN: 23105546BGXMRZ2046

Place: Gurugram  
Date: May 25, 2023

# Independent Auditor's Report

## on Audit of Annual Financial Results and Review of Quarterly Financial Results

### To The Board of Directors of Globus Spirits Limited

#### Opinion and Conclusion

We have (a) audited the Financial Results for the year ended March 31, 2023 and (b) reviewed the Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying Statement of Financial Results for the Quarter and Year Ended March 31, 2023 of GLOBUS SPIRITS LIMITED ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

#### (a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2023:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

#### (b) Conclusion on Unaudited Financial Results for the quarter ended March 31, 2023

With respect to the Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### Basis for Opinion on the Audited Financial Results for the year ended March 31, 2023

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are

relevant to our audit of the Financial Results for the year ended March 31, 2023 under the provisions of the Act and the Rules 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.

#### Emphasis of Matter

Attention is invited to note 5 of the financial results, relating to the search and seizure carried out by the Income Tax Department from January 30, 2023 to February 03, 2023. As stated in the said note, whilst uncertainty exists regarding the outcome of the search and seizure, the Company after considering all available information and facts as of date, has not identified adjustments, if any, that may be required to the financial results.

Our opinion is not modified in respect of this matter.

#### Management's Responsibilities for the Statement

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2023 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

#### Auditor's Responsibilities

#### (a) Audit of the Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2023 as a whole is 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 this Financial Results.

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 Annual Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 Company 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 Statement 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 Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

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

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.

#### (b) Review of the Financial Results for the quarter ended March 31, 2023

We conducted our review of the Financial Results for the quarter ended March 31, 2023 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Other Matters

As stated in note 6, the Statement includes the results for the Quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Rajesh Kumar Agarwal**  
Partner  
(Membership No.105546)  
UDIN: 23105546BGXMSA9156

Place: Gurugram  
Date: May 25, 2023

# Balance Sheet as at March 31, 2023

All amounts are in ₹ Lacs, unless otherwise stated

Particulars	Note	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>			
<b>1 Non - current assets</b>			
(a) Property, plant and equipment	2(a)	79,685.12	64,909.86
(b) Capital work-in-progress	2(b)	9,909.95	9,800.32
(c) Right to use of assets	3	2,823.56	1,995.84
(d) Intangible assets	4	70.73	58.55
(e) Financial assets			
(i) Investments	5	0.30	0.30
(ii) Other financial assets	7	6,831.49	2,737.26
(f) Income tax assets (net)	8	316.70	102.19
(g) Other non current assets	9	8,528.08	5,342.05
<b>Total non-current assets</b>		<b>108,165.93</b>	<b>84,946.37</b>
<b>2 Current assets</b>			
(a) Inventories	10	15,778.12	10,848.89
(b) Financial assets			
(i) Trade receivables	11	21,129.36	11,804.84
(ii) Cash and cash equivalents	12 (a)	2,799.28	2,561.86
(iii) Bank balances other than (ii) above	12 (b)	715.99	5,050.33
(iv) Loans	6	1.76	2.74
(v) Others financial assets	7	1,054.44	602.83
(c) Other current assets	9	9,463.07	7,834.79
<b>Total current assets</b>		<b>50,942.02</b>	<b>38,706.28</b>
<b>TOTAL ASSETS</b>		<b>159,107.95</b>	<b>123,652.65</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	13	2,880.28	2,880.28
(b) Other equity	13	85,782.95	74,350.31
		<b>88,663.23</b>	<b>77,230.59</b>
<b>2 Liabilities</b>			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	11,089.58	10,894.97
(ii) Lease liabilities	15	1,143.46	424.01
(b) Provisions	16	455.74	328.44
(c) Deferred tax liabilities (net)	17	11,021.75	8,873.98
(d) Other non current liabilities	18	237.50	250.79
<b>Total non-current liabilities</b>		<b>23,948.03</b>	<b>20,772.19</b>
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	16,431.35	6,503.76
(ii) Lease liabilities	15	407.54	207.86
(iii) Trade payables	19		
-Total Outstanding dues of Micro Enterprises and Small Enterprises		3,940.35	852.18
-Total Outstanding dues to creditors other than Micro Enterprises and Small Enterprises		17,661.75	12,973.57
(iv) Other financial liabilities	20	2,078.61	1,260.56
(b) Other current liabilities	18	4,364.03	2,942.56
(c) Provisions	16	648.84	673.88
(d) Current tax liabilities (net)	21	964.22	235.50
<b>Total current liabilities</b>		<b>46,496.69</b>	<b>25,649.87</b>
<b>Total liabilities</b>		<b>70,444.72</b>	<b>46,422.06</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>159,107.95</b>	<b>123,652.65</b>

See accompanying notes to the 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

**Nilanjan Sarkar**  
Chief Financial Officer

Place : New Delhi  
Date : May 25, 2023

**Shekhar Swarup**  
Joint Managing Director  
DIN-00445241

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

**Bhaskar Roy**  
Executive Director  
DIN-02805627

# Statement of Profit and Loss for the year ended March 31, 2023

All amounts are in ₹ Lacs, unless otherwise stated

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>I Revenue from operations</b>	22	282,246.84	234,383.64
<b>II Other income</b>	23	782.95	662.52
<b>III Total income (I + II)</b>		<b>283,029.79</b>	<b>235,046.16</b>
<b>IV Expenses:</b>			
(a) Cost of materials consumed	24	126,556.04	83,020.24
(b) Changes in inventories of finished goods	25	(2,423.31)	818.28
(c) Excise duty on sale of goods	26	71,340.85	76,467.12
(d) Employee benefits expenses	27	6,513.39	5,007.94
(e) Finance costs	28	1,701.30	1,143.32
(f) Depreciation and amortisation expenses	29	5,633.03	4,256.07
(g) Other expenses	30	55,701.80	36,209.16
<b>Total expenses (IV)</b>		<b>265,023.10</b>	<b>206,922.13</b>
<b>V Profit before tax (III - IV)</b>		<b>18,006.69</b>	<b>28,124.03</b>
<b>VI Tax expenses:</b>			
(a) Current tax	31 (a)	3,639.12	5,469.75
(b) Deferred tax	31 (b)	2,147.77	3,928.85
		<b>5,786.89</b>	<b>9,398.60</b>
<b>VII Profit for the year (V-VI)</b>		<b>12,219.80</b>	<b>18,725.43</b>
<b>VIII Other comprehensive income (OCI)</b>			
(i) Items that will not be reclassified to profit or loss	31 (c)	(10.34)	21.45
(ii) Income tax relating to items that will not be reclassified to profit or loss	31 (c)	3.61	(7.49)
<b>Other comprehensive income</b>		<b>(6.73)</b>	<b>13.96</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>12,213.07</b>	<b>18,739.39</b>
<b>X Earnings per share (of ₹ 10 each):</b>	35		
Basic		42.43	65.01
Diluted		42.39	65.01

See accompanying notes to the 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

**Nilanjan Sarkar**  
Chief Financial Officer

Place : New Delhi  
Date : May 25, 2023

**Shekhar Swarup**  
Joint Managing Director  
DIN-00445241

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

**Bhaskar Roy**  
Executive Director  
DIN-02805627

Globus Spirits Limited

CIN : L74899DL1993PLC052177

# Statement of Cash Flow for the year ended March 31, 2023

All amounts are in ₹ Lacs, unless otherwise stated

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
<b>A. Cash flow from operating activities</b>				
Profit for the year		12,219.80		18,725.43
Adjustments for :				
Income tax expense recognised in statement of profit and loss	5,786.89		9,398.60	
Depreciation and amortisation expenses	5,633.03		4,256.07	
Employee Stock Options	83.66		-	
Loss on disposal of property, plant and equipments	-		-	
Finance costs	1,701.30		1,143.32	
Credit impaired trade and other receivables, loans and advances written off	19.49		30.03	
Interest income	(491.19)		(452.53)	
Liabilities written back	(186.68)		(109.06)	
Misc Income	(8.66)		-	
Foreign exchange gains	(59.77)		(42.73)	
Loss allowance on credit impaired trade receivables and advances	-		-	
Gain on disposal of property, plant and equipments	(5.97)		-	
Loss on accounts of non moving/slow moving inventories	-		(11.05)	
		12,472.10		14,212.65
<b>Operating profit before working capital changes</b>		24,691.90		32,938.08
Movement in working capital:				
(Increase)/decrease in inventories	(4,929.23)		(634.15)	
(Increase) in trade receivables	(9,275.58)		(3,003.24)	
(Increase) in other assets	(4,048.04)		(3,980.35)	
Increase in trade payables	7,963.03		1,951.37	
(Decrease)/increase in other liabilities and provisions	1,528.00		(342.57)	
		(8,761.82)		(6,008.94)
<b>Cash generated from operations</b>		15,930.08		26,929.14
Income taxes paid		(3,124.91)		(5,049.77)
<b>Net cash flow from operating activities (A)</b>		12,805.17		21,879.37
<b>B. Cash flow from investing activities</b>				
Payment for property, plant and equipments	(21,998.17)		(17,307.17)	
Proceeds from disposal of property, plant and equipments	18.77		20.00	
Payment for bank deposits and margin money	386.26		(4,846.43)	
Interest received	524.12		370.38	
<b>Net cash (used) in investing activities (B)</b>		(21,069.02)		21,763.22
<b>C. Cash flow from financing activities</b>				
Proceeds from borrowings	12,850.00		12,415.70	
Repayment of borrowings	(7,376.22)		(15,155.50)	
Movement in working capital utilization	4,648.41		2,254.60	
Lease liabilities against right to use of assets created	1,402.20		44.08	
Repayment of lease liabilities	(483.07)		(230.45)	
Interest and other borrowing cost paid	(1,675.97)		(1,125.86)	
Dividend Paid	(864.08)		(572.41)	
<b>Net cash (used) in financing activities (C)</b>		8,501.27		(2,369.84)
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		237.42		(2,253.69)
Cash and cash equivalents at the beginning of the year		2,561.86		4,815.55
<b>Cash and cash equivalents at the end of the year</b>		2,799.28		2,561.86
<b>Reconciliation of cash and cash equivalents:</b>				
Cash in hand		1.25		0.77
Balances with banks				
(i) In current accounts		193.18		106.62
(ii) Bank deposits		2,604.85		2,436.00
(iii) Others (staff imprest)		-		18.47
<b>Net cash and cash equivalents</b>		2,799.28		2,561.86

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 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

**Nilanjan Sarkar**  
Chief Financial Officer

Place : New Delhi  
Date : May 25, 2023

**Shekhar Swarup**  
Joint Managing Director  
DIN-00445241

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

**Bhaskar Roy**  
Executive Director  
DIN-02805627

Globus Spirits Limited

CIN : L74899DL1993PLC052177

# Statement of Changes in Equity for the year ended March 31, 2023

All amounts are in ₹ Lacs, unless otherwise stated

Particulars	Reserves and surplus					Total
	Securities premium account	General reserve	Capital Reserve	Surplus in Statement of Profit and Loss	Share Based Payment Reserve	
<b>(a) Equity share capital</b>						
Balance as at April 01, 2022	2880.28	-	2880.28	-	-	2,880.28
Changes in equity share capital due to prior period errors	-	-	-	-	-	-
Restated balance as at March 31, 2022	2880.28	-	2880.28	-	-	2,880.28
Balance as at April 01, 2021	2,879.93	-	2,879.93	0.35	-	2,880.28
Changes in equity share capital due to prior period errors	-	-	-	-	-	-
Restated balance as at March 31, 2021	2,879.93	-	2,879.93	0.35	-	2,880.28
Changes in equity share capital during the year	-	-	-	-	-	-
Balance as at March 31, 2021	14,894.92	1,415.65	(41.34)	39,917.68	-	56,186.91
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-
Profit for the year	-	-	-	18,725.43	-	18,725.43
Dividend Paid	-	-	-	(575.99)	-	(575.99)
Other comprehensive income for the year, net of income tax	-	-	-	13.96	-	13.96
<b>Total comprehensive income for the year</b>	-	-	-	18,163.40	-	18,163.40
Balance as at March 31, 2022	14,894.92	1,415.65	(41.34)	58,081.08	-	74,350.31
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-
Profit for the year	-	-	-	12,219.80	-	12,219.80
Dividend Paid	-	-	-	(864.08)	-	(864.08)
Other comprehensive income for the year, net of income tax	-	-	-	(6.73)	-	(6.73)
Share Based Payment	-	-	-	-	83.66	83.66
<b>Total comprehensive income for the year</b>	-	-	-	11,348.99	83.66	11,432.65
Balance as at March 31, 2023	14,894.92	1,415.65	(41.34)	69,430.07	83.66	85,782.95

See accompanying notes to the 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 : Gurugram  
Date : May 25, 2023

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

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

**Nilanjan Sarkar**  
Chief Financial Officer

Place : New Delhi  
Date : May 25, 2023

**Shekhar Swarup**  
Joint Managing Director  
DIN-00445241

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

**Bhaskar Roy**  
Executive Director  
DIN-02805627

**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 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 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**

**Revenue from contracts with customers**

**Sale of goods**

The Company derives revenue from manufacture and sale of Indian Made Indian Liquor (IMIL), Indian Made Foreign Liquor (IMFL), 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.

Revenue in excess of billing is classified as unbilled revenue while billing in excess of revenue is classified as unearned revenue.

**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 property, plant and equipment 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 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	5 Years

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

## V A. Depreciation

- 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	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 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 expected losses.

### (ii) Non - financial assets

#### Property, plant and equipment 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 are any indications 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 **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 Investments

The Company reviews its carrying value of long term investments in equity instrument which are 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, wherever considered necessary.

Cost includes all charges in bringing the goods to the point of sale, including duties and levies, transit insurance and receiving charges. 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 through other comprehensive income.
- 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 uses assumptions to determine current service cost, net interest cost for the period and recognizes in statement of profit or loss as past service cost, gain or loss on settlement, any reduction in a surplus.

The cost of short-term compensated absences is accounted on actual basis.

### Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other

conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 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 is 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

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 statement of 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 statement of 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- Income Taxes based on the taxable profit/ (loss), tax base, 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 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.

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 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.

v Contingent Liabilities and Claims: The Company is the subject of lawsuits and claims arising in the ordinary course of business from time to time. The Company reviews any such legal proceedings and claims on an ongoing basis and follow appropriate accounting guidance when making accrual and disclosure decisions. The Company establishes accruals for those contingencies where the incurrence of a loss is probable and can be reasonably estimated, and it discloses the amount accrued and the amount of a reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for the Company's financial statements to not be misleading. To estimate whether a loss contingency should be accrued by a charge to income, the Company evaluates, among other factors, the degree of probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of the loss. The Company does not record liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated. Based upon present information, the Company determined that there were no matters that required an accrual as of March 31, 2023 other than the accruals already recognized, nor were there any asserted or unasserted claims for which material losses are reasonably possible.

### 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, export incentives and interest subvention

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.

The Company is entitled for interest subvention from Government of India, Department of Food and Public Distribution (DFPD) for loans sanctioned vide notification dated January 14, 2021 for the purpose of setting up/ expansion of new/existing grain based distilleries.

The Company recognises amount receivable from government as interest subvention when the Company is entitled to receive it. The interest cost is recorded net of interest reimbursement received under the interest subvention scheme.

### XVIII Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of surplus funds out of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the Statement of profit or loss in the period in which they are incurred.

### XIX 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.

### 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/ goodwill. Transaction costs are expensed as they are incurred in respective periods.

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note -2(a): Schedule of Property, Plant and Equipments\*

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2022	Additions	Disposals / adjustment to assets	As at March 31, 2023	As at March 31, 2022	Depreciation for the year	Eliminated on disposal / adjustment to assets	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>LAND</b>										
Freehold land	2,907.33	160.76	-	3,068.09	-	-	-	-	3,068.09	2,907.33
	<b>2,907.33</b>	<b>160.76</b>	<b>-</b>	<b>3,068.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,068.09</b>	<b>2,907.33</b>
<b>BUILDINGS</b>										
Factory	10,706.72	629.07	-	11,335.79	2,114.17	390.75	-	2,504.92	8,830.87	8,592.55
	<b>10,706.72</b>	<b>629.07</b>	<b>-</b>	<b>11,335.79</b>	<b>2,114.17</b>	<b>390.75</b>	<b>-</b>	<b>2,504.92</b>	<b>8,830.87</b>	<b>8,592.55</b>
<b>PLANT AND EQUIPMENTS</b>										
Plant and machinery	71,191.32	18,814.26	-	90,005.58	18,411.34	4,621.81	-	23,033.15	66,972.43	52,779.98
Electrical installations and equipments	422.87	6.05	-	428.92	187.35	42.59	-	229.94	198.98	235.52
Computer	100.58	23.86	-	124.44	69.06	16.39	-	85.45	38.99	31.52
	<b>71,714.77</b>	<b>18,844.17</b>	<b>-</b>	<b>90,558.94</b>	<b>18,667.75</b>	<b>4,680.79</b>	<b>-</b>	<b>23,348.54</b>	<b>67,210.40</b>	<b>53,047.02</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	199.17	10.65	-	209.82	122.41	13.59	-	136.00	73.82	76.76
	<b>199.17</b>	<b>10.65</b>	<b>-</b>	<b>209.82</b>	<b>122.41</b>	<b>13.59</b>	<b>-</b>	<b>136.00</b>	<b>73.82</b>	<b>76.76</b>
<b>VEHICLES</b>										
Motor Vehicles	349.07	261.87	18.77	592.17	131.81	40.91	18.77	153.95	438.22	217.26
	<b>349.07</b>	<b>261.87</b>	<b>18.77</b>	<b>592.17</b>	<b>131.81</b>	<b>40.91</b>	<b>18.77</b>	<b>153.95</b>	<b>438.22</b>	<b>217.26</b>
<b>OFFICE EQUIPMENTS</b>										
Office equipments	182.53	17.13	-	199.66	113.59	22.35	-	135.94	63.72	68.94
	<b>182.53</b>	<b>17.13</b>	<b>-</b>	<b>199.66</b>	<b>113.59</b>	<b>22.35</b>	<b>-</b>	<b>135.94</b>	<b>63.72</b>	<b>68.94</b>
<b>Total</b>	<b>86,059.59</b>	<b>19,923.65</b>	<b>18.77</b>	<b>105,964.47</b>	<b>21,149.73</b>	<b>5,148.38</b>	<b>18.77</b>	<b>26,279.35</b>	<b>79,685.12</b>	<b>64,909.86</b>

\*For lien / charge against property, plant and equipments refer note 14

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 2(a) - Property, plant and equipments as at March 31, 2022\*

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2021	Additions	Disposals / adjustment of assets	As at March 31, 2022	As at March 31, 2021	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
<b>LAND</b>										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	<b>2,907.33</b>	<b>-</b>	<b>-</b>	<b>2,907.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,907.33</b>	<b>2,907.33</b>
<b>BUILDINGS</b>										
Factory buildings	10,417.82	288.90	-	10,706.72	1,744.47	369.70	-	2,114.17	8,592.55	8,673.35
	<b>10,417.82</b>	<b>288.90</b>	<b>-</b>	<b>10,706.72</b>	<b>1,744.47</b>	<b>369.70</b>	<b>-</b>	<b>2,114.17</b>	<b>8,592.55</b>	<b>8,673.35</b>
<b>PLANT AND EQUIPMENTS</b>										
Plant and machinery	58,456.32	12,735.00	-	71,191.32	14,891.76	3,519.58	-	18,411.34	52,779.99	43,564.57
Electrical installations and equipments	357.98	64.89	-	422.87	148.82	38.53	-	187.35	235.52	209.16
Computer	77.61	22.97	-	100.58	55.26	13.80	-	69.06	31.52	22.34
	<b>58,891.92</b>	<b>12,822.86</b>	<b>-</b>	<b>71,714.78</b>	<b>15,095.83</b>	<b>3,571.91</b>	<b>-</b>	<b>18,667.74</b>	<b>53,047.03</b>	<b>43,796.07</b>
<b>FURNITURE AND FIXTURES</b>										
Furniture and fixtures	193.94	5.23	-	199.17	103.93	18.48	-	122.41	76.76	90.00
	<b>193.94</b>	<b>5.23</b>	<b>-</b>	<b>199.17</b>	<b>103.93</b>	<b>18.48</b>	<b>-</b>	<b>122.41</b>	<b>76.76</b>	<b>90.00</b>
<b>VEHICLES</b>										
Owned	265.29	158.99	75.21	349.07	161.74	36.34	66.27	131.81	217.26	103.57
	<b>265.29</b>	<b>158.99</b>	<b>75.21</b>	<b>349.07</b>	<b>161.74</b>	<b>36.34</b>	<b>66.27</b>	<b>131.81</b>	<b>217.26</b>	<b>103.57</b>
<b>OFFICE EQUIPMENTS</b>										
Office equipments	127.10	55.43	-	182.53	95.27	18.32	-	113.59	68.94	31.83
	<b>127.10</b>	<b>55.43</b>	<b>-</b>	<b>182.53</b>	<b>95.27</b>	<b>18.32</b>	<b>-</b>	<b>113.59</b>	<b>68.94</b>	<b>31.83</b>
<b>Total</b>	<b>72,803.40</b>	<b>13,331.41</b>	<b>75.21</b>	<b>86,059.59</b>	<b>17,201.25</b>	<b>4,014.75</b>	<b>66.27</b>	<b>21,149.73</b>	<b>64,909.86</b>	<b>55,602.13</b>

\*For lien / charge against property, plant and equipments refer note 14

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

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work-in-progress	9,909.95	9,800.32
<b>Total</b>	<b>9,909.95</b>	<b>9,800.32</b>

#### (a) Capital work-in-progress ageing as at March 31, 2023 and March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	9,745.57	97.59	52.82	13.97	9,909.95
	9,734.20	41.90	17.07	7.15	9,800.32
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

(b) For capital work-in progress, whose completion is overdue as compared to its original plan, the project wise details of when the project is expected to be completed is given below as at March 31, 2023

Particulars	To be completed in			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years
Projects in Progress:				
ENA tank & Civil Work	42.99	-	-	-
Godown structure, road and drainage system	23.80	-	-	-
Projects temporarily suspended	-	-	-	-

For capital work-in progress, whose completion is overdue as compared to its original plan, the project wise details of when the project is expected to be completed is given below as at March 31, 2022

Particulars	To be completed in			
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years
Projects in Progress:				
ENA tank and spent wash tank	42.32	-	-	-
Godown structure, road and drainage system	23.80	-	-	-
Projects temporarily suspended	-	-	-	-

(c) There is no capital work-in progress projects, whose completion has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.

**Note 3 - Right to use of Assets as at March 31, 2023**

Particulars	Gross Carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2022	Additions/ adjustments of assets	Disposals / adjustment of assets	As at March 31, 2023	As at March 31, 2022	Depreciation for the year	Elimination on disposals / adjustment of assets	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Leasehold land	1,331.28	-	-	1,331.28	71.33	11.13	-	82.46	1,248.82	1,259.95
Buildings	1,041.82	1,294.55	-	2,336.37	531.27	405.40	-	936.67	1,399.70	510.55
Motor Vehicle	350.80	-	-	350.80	125.46	50.30	-	175.76	175.04	225.34
	<b>2,723.90</b>	<b>1,294.55</b>	-	<b>4,018.45</b>	<b>728.06</b>	<b>466.83</b>	-	<b>1,194.90</b>	<b>2,823.56</b>	<b>1,995.84</b>

**Right to use of Assets as at March 31, 2022**

Particulars	Gross Carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2021	Additions/ adjustments of assets	Disposals / adjustment of assets	As at March 31, 2022	As at March 31, 2021	Depreciation for the year	Elimination on disposals / adjustment of assets	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Leasehold land	1,331.28	-	-	1,331.28	53.16	18.17	-	71.33	1,259.95	1,278.12
Buildings	974.51	67.31	-	1,041.82	316.57	214.70	-	531.27	510.55	657.94
Motor Vehicle	350.80	-	-	350.80	75.44	50.02	-	125.46	225.34	275.36
	<b>2,656.59</b>	<b>67.31</b>	-	<b>2,723.90</b>	<b>445.17</b>	<b>282.89</b>	-	<b>728.06</b>	<b>1,995.84</b>	<b>2,211.42</b>

**Note 4 - Intangible Assets as on March 31, 2023**

Particulars	Gross carrying amount			Accumulated amortisation				Net carrying amount		
	As at March 31, 2022	Additions/ adjustments of assets	Disposals / adjustment of assets	As at March 31, 2023	As at March 31, 2022	Amortisation for the year	Elimination on disposals / adjustment of assets	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Softwares	103.62	48.84	-	152.46	45.07	36.66	-	81.73	70.73	58.55
	<b>103.62</b>	<b>48.84</b>	-	<b>152.46</b>	<b>45.07</b>	<b>36.66</b>	-	<b>81.73</b>	<b>70.73</b>	<b>58.55</b>

**Intangible Assets as on March 31, 2022**

Particulars	Gross carrying amount			Accumulated amortisation				Net carrying amount		
	As at March 31, 2021	Additions/ adjustments of assets	Disposals / adjustment of assets	As at March 31, 2022	As at March 31, 2021	Amortisation for the year	Elimination on disposals / adjustment of assets	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Softwares	61.29	42.33	-	103.62	20.43	24.64	-	45.07	58.55	40.86
	<b>61.29</b>	<b>42.33</b>	-	<b>103.62</b>	<b>20.43</b>	<b>24.64</b>	-	<b>45.07</b>	<b>58.55</b>	<b>40.86</b>

**Note 5- Investments**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Quantity (in numbers)	Amount	Quantity (in numbers)	Amount
<b>Investment in equity instruments (valued at cost) (Unquoted)</b>				
(i) India Paryavaran Sahayak Foundation (IPSF) 3,000 shares (as at March 31, 2022: 3,000 Shares ) of ₹ 10 each fully paid up	3,000	0.30	3,000	0.30
<b>Total</b>		<b>0.30</b>		<b>0.30</b>
Aggregate carrying value of unquoted investments		0.30		0.30
<b>Total</b>		<b>0.30</b>		<b>0.30</b>

Investments in IPSF (a company incorporated under section 8 of companies Act, 2013) are made with no objective to obtain economic benefits from its activities.

**Note 6 - Loans**

Particulars	As at March 31, 2023	As at March 31, 2022
Loan to employees - unsecured and considered good	1.76	2.74
<b>Total</b>	<b>1.76</b>	<b>2.74</b>

**Note 7 - Others financial assets**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Security Deposits				
Unsecured - considered good	970.76	260.45	769.62	186.83
Unsecured - considered doubtful	14.00	-	14.00	-
	984.76	260.45	783.62	186.83
Less: Provision for doubtful security deposits	(14.00)	-	(14.00)	-
	970.76	260.45	769.62	186.83
Bank deposits having remaining maturity of more than 12 months	5,254.23	-	1,775.82	-
Other bank balances - balance held as margin money against bank guarantees	488.28	218.58	191.82	45.36
Interest accrued on deposits	118.22	116.15	-	267.30
Interest receivable from banks (Refer Note 28)	-	459.26	-	103.34
<b>Total</b>	<b>6,831.49</b>	<b>1,054.44</b>	<b>2,737.26</b>	<b>602.83</b>

**Note 8 - Income tax assets (net)**

Particulars	As at March 31, 2023	As at March 31, 2022
Tax Assets	316.70	102.19
<b>Total</b>	<b>316.70</b>	<b>102.19</b>

**Note 9 - Other assets**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
Capital advances				
Unsecured, considered good	3,646.43	-	2,243.71	-
Unsecured, considered doubtful	44.05	-	44.05	-
	3,690.48	-	2,287.76	-
Less: Provision for doubtful advances	(44.05)	-	(44.05)	-
	3,646.43	-	2,243.71	-
Goods and Services Tax deposited under protest (refer note 32)	3,443.27	-	2,741.04	-
Excise duty paid under protest	4.59	-	4.59	-
Prepaid expenses	121.64	1,211.71	352.71	1,090.69
Advances to vendors	-	1,796.74	-	1,582.77
Less: Provision for doubtful advances to vendors	-	(28.44)	-	(28.44)
	-	1,768.30	-	1,554.33
Amount recoverable from customer	-	125.01	-	125.01
Less : Provision for amount recoverable from customer	-	(125.01)	-	(125.01)
	-	-	-	-
Unbilled revenue	-	307.14	-	64.61
Balance with government authorities *	1,312.15	6,054.42	-	5,109.14
Others	-	121.50	-	16.02
<b>Total</b>	<b>8,528.08</b>	<b>9,463.07</b>	<b>5,342.05</b>	<b>7,834.79</b>

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

**Note 10 - Inventories\***

(valued at lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Raw materials	2,918.37	2,219.41
(b) Work in progress	958.94	596.09
(c) Finished goods**	7,775.00	5,351.69
Less: Provision for slow and non moving inventory	(87.02)	(87.02)
(d) Packing material	1,523.69	1,137.62
(e) Fuel, chemicals, stores and spares	2,689.14	1,631.10
<b>Total</b>	<b>15,778.12</b>	<b>10,848.89</b>

\* For parri passu charge against Inventories refer note 14.

\*\* Finished goods include stock in transit of Rs. 21.45 Lacs (March 31, 2022 Rs. 16.52 Lacs).

**Note 11 - Trade receivables\***

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Undisputed :</b>		
Considered good	21,129.36	11,804.84
Credit impaired	18.97	24.30
	21,148.33	11,829.14
Less: Loss Allowance	(18.97)	(24.30)
<b>Total</b>	<b>21,129.36</b>	<b>11,804.84</b>

\* For parri passu charge against trade receivables refer note 14.

**Trade receivables - Ageing as on March 31, 2023 and March 31, 2022**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed Trade receivables – considered good	16,333.43	3,854.40	667.86	216.28	57.39	-	<b>21,129.36</b>
	10,897.06	183.94	717.30	6.54	-	-	<b>11,804.84</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	18.97	<b>18.97</b>
	-	-	-	-	24.30	-	<b>24.30</b>
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	16,333.43	3,854.40	667.86	216.28	57.39	18.97	<b>21,148.33</b>
	10,897.06	183.94	717.30	6.54	24.30	-	<b>11,829.14</b>
<b>Less: Loss allowance</b>	-	-	-	-	-	18.97	<b>18.97</b>
	-	-	-	-	24.30	-	<b>24.30</b>
<b>Total trade receivables</b>	16,333.43	3,854.40	667.86	216.28	57.39	-	<b>21,129.36</b>
	10,897.06	183.94	717.30	6.54	-	-	<b>11,804.84</b>

**Note 12 - Cash and cash equivalents**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>(a) Cash and cash equivalents</b>				
Cash on hand		1.25		0.77
Balances with banks				
(i) In current accounts		193.18		106.62
(ii) Bank deposits with original maturity of less than three months		2,604.85		2,436.00
(iii) Others (staff imprest)		-		18.47
<b>Total (a)</b>		<b>2,799.28</b>		<b>2,561.86</b>
<b>(b) Bank balances other than (a) above</b>				
(i) Unpaid dividend account		5.99		4.37
(ii) Bank deposits with remaining maturity of less than 12 months		710.00		5,045.96
<b>Total (b)</b>		<b>715.99</b>		<b>5,050.33</b>

**Note 13 - Equity share capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>(a) Authorised</b>				
Equity shares of ₹10 each with voting rights	35,000,000	3,500.00	35,000,000	3,500.00
Cumulative compulsorily convertible preference shares (CCCPs) of ₹140 each	5,100,000	7,140.00	5,100,000	7,140.00
	<b>40,100,000</b>	<b>10,640.00</b>	<b>40,100,000</b>	<b>10,640.00</b>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of ₹10 each with voting rights	28,802,749	2,880.28	28,802,749	2,880.28
<b>Total</b>	<b>28,802,749</b>	<b>2,880.28</b>	<b>28,802,749</b>	<b>2,880.28</b>

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares with voting rights</b>				
Shares outstanding at the beginning of the year	28,802,749	2,880.28	28,799,268	2,879.93
Equity shares issued during the year	-	-	3,481	0.35
<b>Shares outstanding at the end of the year</b>	<b>28,802,749</b>	<b>2,880.28</b>	<b>28,802,749</b>	<b>2,880.28</b>

During the previous year March 31, 2022, 3,481 number of equity shares have been issued to the equity shareholder of Unibev Limited whose name appears in the register of members on the record date i.e. November 12, 2021.

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	% of holding	No. of shares held	% of holding
<b>Fully paid equity shares with voting rights</b>				
Chandbagh Investments Limited	11,219,840	38.95%	11,219,840	38.95%
Ajay Kumar Swarup	1,924,254	6.68%	1,924,254	6.68%

**(c) Shareholding of promoters and promoters group :**

Particulars	As at March 31, 2023		As at March 31, 2022		Change in %
	No. of shares held	% of holding	No. of shares held	% of holding	
Chandbagh Investments Limited	11,219,840	38.95%	11,219,840	38.95%	0.00%
Globus Infosys Private Limited	538,854	1.87%	538,854	1.87%	0.00%
Ram Bagh Facilities Services LLP	237,177	0.82%	237,177	0.82%	0.00%
Ajay Kumar Swarup	1,924,254	6.68%	1,924,254	6.68%	0.00%
Shekhar Kumar Swarup	766,835	2.66%	766,835	2.66%	0.00%
Radhika Swarup	4,400	0.02%	4,400	0.02%	0.00%
Bhupendra Kumar Bishnoi	90	0.00%	90	0.00%	0.00%
Roshni Bishnoi	90	0.00%	90	0.00%	0.00%
Madhavi Swarup	60	0.00%	60	0.00%	0.00%
Late. Madhav Kumar Swarup	60	0.00%	60	0.00%	0.00%
Late. Saroj Rani Swarup	60	0.00%	60	0.00%	0.00%

**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.

**(d) Other Equity**

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium	14,894.92	14,894.92
General reserve	1,415.65	1,415.65
Capital reserve	(41.34)	(41.34)
Retained earnings	69,353.14	58,067.12
Share based payments reserves	83.66	-
Other Comprehensive Income	(6.73)	13.96
<b>Total</b>	<b>85,699.30</b>	<b>74,350.31</b>

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 14 - Borrowings (at amortised cost)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current
<b>Secured</b>				
(i) Term loans from banks	11,089.58	-	10,894.97	-
(ii) Current maturities of long term loans	-	4,300.00	-	1,520.83
(iii) Short term loan (refer note c below)	-	2,500.00	-	-
(iv) Cash credit (refer note d below)	-	9,559.27	-	4,842.58
(v) Overdraft (refer note e below)	-	72.08	-	140.35
<b>Total</b>	<b>11,089.58</b>	<b>16,431.35</b>	<b>10,894.97</b>	<b>6,503.76</b>

a. The Company has availed above mentioned term loans (i) and (ii) under interest subvention scheme notified by Government of India (Department of Food and Public Distribution) vide notification dated January 14, 2021, for setting up/ expansion of new/existing grain based distilleries.

b. The above mentioned term loans (i) and (ii) are secured by  
 -First pari passu charge on movable fixed assets and equitable mortgage of factory land & building of the plants at Behror, Samalkha, West Bengal and Bihar.  
 -Second pari passu charge by way of extension of charge on all the current assets of the Company.  
 -Letter of comfort from Chandbagh Investments Limited.

Bank Name	Sanctioned Amount	Rate of Interest (p.a)	Effective rate (p.a)	Monthly principal repayment^	Installment start date^	As at March 31, 2023	As at March 31, 2022
HDFC	7,000.00	7.80%	3.90%	145.83	July, 2022	5,687.50	7,000.00
Axis	10,000.00	7.70%	3.85%	2.08	April, 2023	100.00	100.00
Axis	9,000.00	7.70%	3.85%	93.75	January, 2023	4,118.75	2,500.00
Kotak#	6,500.00	8.85%	4.43%	116.67	March, 2023	5,483.33	-

During the year ended March 31, 2023, the Company has repaid the following term loans:

Bank Name	Rate of Interest	Repayment date	Repayment amount	As at March 31, 2023	As at March 31, 2022
Standard Chartered Bank (SCB)#	9.27%	25-Nov-22	5,350.00	-	2,500.00
HDFC ^^	9.15%	28-Feb-23	165.00	-	165.00
HDFC ^^	9.15%	16-Mar-23	150.80	-	150.80

# The term loan of SCB was takeover by Kotak on November 25, 2022.

^ The above loans are repayable in 48 equal installments post availing one year moratorium.

^^ The Company is yet to receive no dues certificate from the banks, pending which, satisfaction of charges is yet to be registered with ROC.

c. Short term borrowings has interest rate of 8.90% p.a.

d. Cash credit is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debts 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, Samalkha, West Bengal and Bihar and letter of comfort from Chandbagh Investments Limited.

e. Overdraft is hypothecated against fixed deposits from Axis Bank carrying interest rate of 6.80% p.a (March 31, 2022 interest rate in the range of 5.00% to 8.00% p.a).

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 15 - Lease liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non current	Current
Buildings	1,117.23	387.49	373.09	173.98
Motor vehicles	26.23	20.05	50.92	33.88
<b>Total</b>	<b>1,143.46</b>	<b>407.54</b>	<b>424.01</b>	<b>207.86</b>

### Note 16 - Provisions

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non current	Current
Gratuity (refer note 41)	455.74	136.19	328.44	142.08
Other provisions	-	512.65	-	531.80
<b>Total</b>	<b>455.74</b>	<b>648.84</b>	<b>328.44</b>	<b>673.88</b>

Other provisions	Provision against customer contracts
<b>Balance at April 1, 2021</b>	<b>528.04</b>
Provision made during the year	3.76
Provision written back/ utilised during the year	-
<b>Balance at March 31, 2022</b>	<b>531.80</b>
<b>Balance at April 1, 2022</b>	<b>531.80</b>
Provision made during the year	18.02
Provision written back/ utilised during the year	37.17
<b>Balance at March 31, 2023</b>	<b>512.65</b>

### Note 17 - Deferred tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	841.11	478.02
Deferred tax liabilities	(11,862.86)	(9,352.01)
<b>Total</b>	<b>(11,021.75)</b>	<b>(8,873.98)</b>
<b>Tax effect of items constituting deferred tax assets</b>		
Provision for employee benefits	221.49	197.39
Provision for doubtful debts and advances	36.85	38.71
Others	582.77	241.92
<b>Total</b>	<b>841.11</b>	<b>478.02</b>
<b>Tax effect of items constituting deferred tax liabilities</b>		
Property, plant & equipments	11,862.86	9,352.01
<b>Total</b>	<b>11,862.86</b>	<b>9,352.01</b>
<b>Deferred tax liabilities (net)</b>	<b>(11,021.75)</b>	<b>(8,873.98)</b>

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 18 - Other liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non current	Current	Non current	Current
Subsidy received from ministry of new and renewable energy	108.10	6.00	114.10	13.27
Import duty grants	129.40	7.29	136.69	-
Advances from customers	-	1,643.06	-	718.35
Statutory liabilities	-	2,699.71	-	2,202.90
Other liabilities	-	7.97	-	8.04
<b>Total</b>	<b>237.50</b>	<b>4,364.03</b>	<b>250.79</b>	<b>2,942.56</b>

### Note 19 - Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Undisputed Trade Payables:</b>		
MSME	3,940.35	852.18
Other than MSME	17,661.75	12,973.57
<b>Total</b>	<b>21,602.10</b>	<b>13,825.75</b>

### Trade payables ageing as at March 31, 2023 and March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	3,940.35	-	-	-	<b>3,940.35</b>
	852.18	-	-	-	<b>852.18</b>
Other than MSME	17,481.79	131.73	43.54	4.69	<b>17,661.74</b>
	12,741.50	207.63	17.69	6.75	<b>12,973.57</b>
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Other than MSME	-	-	-	-	-
Total Trade Payables	<b>21,422.14</b>	<b>131.73</b>	<b>43.54</b>	<b>4.69</b>	<b>21,602.10</b>
	<b>13,593.68</b>	<b>207.63</b>	<b>17.69</b>	<b>6.75</b>	<b>13,825.75</b>

### Note 20 - Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits from customers	59.36	43.42
Payables towards purchase of property, plant & equipments	1,904.44	1,129.28
Interest accrued but not due on borrowings	108.82	83.49
Unpaid dividend	5.99	4.37
<b>Total</b>	<b>2,078.61</b>	<b>1,260.56</b>

### Note 21 - Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Income Tax (net of advance tax including TDS receivables of ₹ 2,719.50 Lacs) (March 31, 2022 ₹ 5,093.93 Lacs)	964.22	235.50
<b>Total</b>	<b>964.22</b>	<b>235.50</b>

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 22 - Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from Contract with customers</b>		
<b>(a) Sale of goods</b>	280,429.36	232,393.21
<b>(b) Rendering of services</b>		
Bottling and Cleaning Charges	1,704.89	1,935.19
<b>Other operating Revenue</b>		
Duty drawback and other export incentives	112.59	55.24
<b>Total</b>	<b>282,246.84</b>	<b>234,383.64</b>

### Note 23 - Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<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	491.19	452.53
<b>(b) Other non-operating income</b>		
(a) Foreign exchange gain (net)	59.77	42.73
(b) Liabilities no longer required written back (net)	186.68	84.10
(b) Others	45.31	83.16
<b>Total</b>	<b>782.95</b>	<b>662.52</b>

### Note 24 - Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Raw materials, work in progress and packing materials</b>		
Opening stock (including work in progress)	3,953.12	2,518.11
Add: Purchases	128,003.92	84,455.25
	<b>131,957.04</b>	<b>86,973.36</b>
Less: Closing stock (including work in progress)	(5,401.00)	(3,953.12)
<b>Total</b>	<b>126,556.04</b>	<b>83,020.24</b>

### Note 25 - Changes in inventory of finished goods

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	5,351.69	6,169.97
Closing stock	(7,775.00)	(5,351.69)
<b>Total</b>	<b>(2,423.31)</b>	<b>818.27</b>

### Note 26 - Excise Duty

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Excise duty on sale of goods	71,340.85	76,467.12
<b>Total</b>	<b>71,340.85</b>	<b>76,467.12</b>

**Note 27 - Employee benefits expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages, including bonus	5,985.90	4,717.89
Employee stock option plan (refer note 45)	83.66	-
Contribution to provident fund & other funds	228.20	155.75
Gratuity expenses	131.33	95.79
Staff welfare expenses	84.30	38.51
<b>Total</b>	<b>6,513.39</b>	<b>5,007.94</b>

**Note 28 - Finance costs**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest expense on:		
Term loans*#	501.92	705.96
Working capital loans	659.67	260.95
Lease liabilities	122.21	62.21
Income tax	48.21	-
(b) Other borrowing costs:		
Bank charges including processing fees	369.29	114.20
<b>Total</b>	<b>1,701.30</b>	<b>1,143.32</b>

\* Interest expense is net of interest reimbursement of ₹ 481.11 Lacs (March 31, 2022 – ₹ 245.33 Lacs) under interest subvention scheme notified by Government of India (Department of Food and Public Distribution) vide notification dated January 14, 2021, for setting up/ expansion of new/ existing grain based distilleries.

# Borrowing Cost capitalized during the year ₹ 174.54 Lacs (March 31, 2022 – ₹ 178.01 Lacs).

**Note 29 - Depreciation and amortisation expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipments	5,129.62	3,948.53
Depreciation on right of use assets	466.75	282.90
Amortisation of intangible assets	36.66	24.64
<b>Total</b>	<b>5,633.03</b>	<b>4,256.07</b>

**Note 30 - Other expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	29,280.61	15,293.75
Bottling expenses/fees	8,151.21	8,280.68
Freight and handling charges	6,648.63	4,312.22
Marketing Expenses	2,181.45	840.47
Excise license, establishment and supervision fees	1,103.45	1,009.63
Flour and pet coke feeding	937.09	616.64
Travelling and conveyance	799.24	379.39
Consumption of lab chemicals and enzymes	764.75	1,200.95
Legal and professional	746.37	517.45
Increase/ (decrease) of excise duty on inventory	628.23	(478.98)
Expenditure on corporate social responsibility (refer note 34)	370.00	214.26
Repairs and maintenance - machinery	2,130.60	2,157.22
Repairs and maintenance - buildings	264.91	238.46
Repairs and maintenance - others	235.47	139.86
Insurance	294.57	226.82
Security expenses	232.01	205.20
Effluent disposal	128.20	101.79
Rent (refer note 37)	190.74	380.83
Payments to auditors (refer note 36)	83.16	85.01
Rates and taxes	127.06	96.09
Communication	50.46	37.87
Printing and stationery	33.67	27.23
Donations and contributions	3.61	50.22
Subscription books & periodicals	40.15	38.07
Director's sitting fee	9.45	10.83
Credit impaired trade and other receivables, loans and advances written off	19.49	30.03
Miscellaneous expenses	247.22	197.17
<b>Total</b>	<b>55,701.80</b>	<b>36,209.16</b>

**Note 31 - Tax expenses**

Particulars	For the period ended March 31, 2023	For the year ended March 31, 2022
<b>(a) Current tax</b>		
Current tax expenses	3,639.12	5,469.75
	<b>3,639.12</b>	<b>5,469.75</b>
<b>(b) Deferred tax charge</b>		
In respect of current year	2,147.77	969.91
MAT credit utilisation	-	2,958.94
	<b>2,147.77</b>	<b>3,928.85</b>
<b>Income tax recognised in statement of profit and loss</b>	<b>5,786.89</b>	<b>9,398.60</b>
<b>The income tax expense for the year can be reconciled to the accounting profit as follows</b>		
Profit before tax	18,006.69	28,124.03
Income tax expense #	6,292.26	9,827.66
Effect of items that are not deductible in determining taxable profit	170.10	96.57
Effect of tax benefit on exempted income	(736.20)	(577.13)
Others	61.03	51.51
<b>Income tax expense recognised in statement of profit and loss</b>	<b>5,787.19</b>	<b>9,398.61</b>
<b>(c) Income tax recognised in other comprehensive income (OCI)</b>		
Remeasurement of defined benefit liabilities	(10.34)	21.45
Tax adjustment in respect of remeasurement of defined benefit liabilities	3.61	(7.49)
	<b>3.61</b>	<b>(7.49)</b>

# 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. However, the Company has not availed the option to pay corporate tax at lower rate under section 115BAA and continues to pay corporate tax at existing tax rate of 34.94% (previous year 34.94%).

**Note 32 - Contingent liabilities and commitments**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(a) Contingent liabilities*</b>		
Claims against the company not acknowledged as debts		
(i) Excise duty	180.81	180.81
(ii) Income tax	196.61	196.61
(iii) Goods and Services tax **	3,443.27	2,741.04
(iv) Haryana Value Added tax ***	1,084.01	1,084.01
(v) Central Goods and Services tax	7.50	115.47
(vi) Sales tax	-	100.78
Guarantees by bank on behalf of Company****	-	63.00
	<b>4,912.20</b>	<b>4,481.73</b>
<b>(b) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	666.40	3,102.33
<b>Total</b>	<b>5,578.60</b>	<b>7,584.06</b>

**Note:**

\* 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 franchises are required to reimburse the Company for the liability, if any.

\*\* On June 26, 2020, Directorate General of Goods and Services Tax (GST) Intelligence (DGGI) carried out search and seizure proceedings at various premises of the Company; at factories and at head office. Pursuant to this, during the FY 2020-2021 the Company had deposited ₹1,989.97 lacs under protest towards GST which may arise on account of issue regarding classification of one of the item sold by the Company (Animal Feed Supplement) for the period July 01, 2017 to December 31, 2020. The Company had also filed writ petition on February 17, 2021 before Hon'ble High Court of Delhi challenging the actions of DGGI and seeking refund of amount deposited by the Company.

Subsequently, DGGI issued summons dated October 01, 2021 to the authorized representatives of the Company and The Ministry of Finance, Department of Revenue vide its Circular No. 163/19/2021-GST dated October 06, 2021 provided clarification on the classification of the said item. Pursuant to the summons and the aforesaid circular, during the FY 2021-2022 the Company deposited ₹ 751.07 lacs under protest towards GST for the period January 01, 2021 to October 10, 2021 and started collecting and depositing GST under protest on the said item from its customers w.e.f October 11, 2021. During the current year, the Company has also deposited ₹ 448.17 lacs towards interest and ₹ 254.06 lacs towards penalty on the above GST paid under protest for the period July 01, 2017 to October 10, 2021.

The amount of Goods and Services Tax deposited under protest (net of amount collected and deposited under protest) with the department aggregating to ₹ 3,443.27 lacs (previous year aggregating to ₹ 2,741.04 lacs) have been disclosed as recoverable in note 9 to the financial statements. Basis the legal advice obtained by the management, that the circular issued by the Government is ultra vires the provisions of the GST laws, the Company has filed writ petition on January 18, 2022 challenging the constitutional validity of imposing GST on the said item before Hon'ble High Court of Delhi.

Proceedings in respect of above matters are in progress before Hon'ble High Court of Delhi and on the basis of legal opinion obtained, the Management is confident that ultimately no liability will devolve on the Company and it will be able to get the refund of GST amount including interest and penalty thereon from the GST Department which has been paid under protest.

\*\*\* The Company has ongoing proceedings under Haryana Value Added Tax Act, 2003 in respect of Value Added Tax liability arising on account of issue regarding classification of one of the item sold by the Company for the year 2010-11 to 2016-17 in Samalkha involving amount of ₹ 735.20 lacs and for the year 2010-11 to 2012-13 in Hisar involving amount of ₹ 325.57 lacs. The Company has filed appeals against the demand orders received in respect of these proceedings, which are pending for disposal at various judicial forums.

\*\*\*\* Guarantees by bank on behalf of company as on March 31, 2023 are excluding performance guarantees of ₹ 2,654.57 lacs.

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

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 33 - 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.

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to any supplier as at the end of the year	3,940.35	852.18
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 34 - Corporate social responsibility expenditure

Gross amount required to be spent by the Company during the year ₹ 366.95 Lacs (March 31, 2022 ₹ 205.97 Lacs)

Amount spent during the year on:	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Construction / acquisition of any asset		
- in cash	-	-
- yet to be paid in cash	-	-
(ii) On purpose other than above		
- in cash	370.00	214.23
- yet to be paid in cash	-	-
	<b>370.00</b>	<b>214.23</b>
Unspent amount	-	-
<b>Total</b>	<b>370.00</b>	<b>214.23</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by company during the year	366.95	205.97
Amount of expenditure incurred	370.00	214.23
Excess at the end of the year	3.05	8.26
Nature of CSR activities	Women Entrepreneurship Programme, Youth Skill and Education programmes	
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard (Refer Note 44)	Inshakti Foundation(Formerly known as Grass Skills Foundation) and India Paryavaran Sahayak Foundation	
Provision made with respect to liability incurred by entering into a contractual obligation	88.27	99.07

### Note 35 - Earnings per share (EPS)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year attributable to equity shareholders of the Company	Rs. in Lacs 12,219.80	18,725.43
Weighted average number of equity shares outstanding for basic EPS	Numbers 28,802,749	28,802,749
Basic EPS (face value - ₹ 10 per share)	Rs. 42.43	65.01
Weighted average number of equity shares outstanding for diluted EPS	Numbers 28,823,033	28,802,749
Diluted EPS (face value - ₹ 10 per share)	Rs. 42.39	65.01

### Note 36 - Auditors' remuneration (excluding taxes)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory Audit	50.00	44.00
Limited Reviews	25.50	22.50
Audit of Special Purpose Financial Statements	-	15.00
Certificates	3.00	2.50
Reimbursement of out-of-pocket expenses	4.66	1.01
<b>Total</b>	<b>83.16</b>	<b>85.01</b>

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 37 : 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 RoU assets are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Land leases	1,248.82	1,259.95
Building leases	1,399.70	510.55
Motor Vehicle leases	175.04	225.34
<b>Total</b>	<b>2,823.56</b>	<b>1,995.84</b>

Note: Additions/Adjustments to the RoU assets during the year amounts to ₹ 457.34 Lacs.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Lease liabilities</b>		
Current	407.54	207.86
Non-current	1,143.46	424.01
<b>Total</b>	<b>1,551.00</b>	<b>631.87</b>

Note: The weighted average discount rate applied to lease liabilities as at April 1, 2022 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:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Amortisation of right-of-use assets (refer note 29)</b>		
Land leases	11.13	18.17
Building leases	50.30	50.02
Motor vehicles leases	405.40	214.70
<b>Total</b>	<b>466.83</b>	<b>282.89</b>

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense (refer note 28)	122.21	62.21

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 483.07 Lacs.

Rent expense recorded for short-term leases was ₹190.74 Lacs for the year ended March 31, 2023.

The details of contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
1. Payable not later than 1 year	515.97	248.53
2. Payable later than 1 year and not later than 5 years	1,267.09	454.95
2. Payable later than 5 years	26.14	-
<b>Total</b>	<b>1,809.20</b>	<b>703.48</b>

Extension and termination options

Extension and termination options are included in a number of property, plant 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 38 - Financial instruments by categories**

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

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
<b>Financial assets</b>						
Investments	0.30	-	-	0.30	-	-
Trade receivables	21,129.36	-	-	11,804.84	-	-
Loans	1.76	-	-	2.74	-	-
Cash and cash equivalents	2,799.28	-	-	2,561.86	-	-
Other bank balances	715.99	-	-	5,050.33	-	-
Other financial assets	7,885.93	-	-	2,737.26	-	-
<b>Total</b>	<b>32,532.62</b>	<b>-</b>	<b>-</b>	<b>22,157.33</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>						
Borrowings	27,520.93	-	-	17,398.73	-	-
Trade payables	21,602.11	-	-	13,825.75	-	-
Other financial liabilities	2,078.61	-	-	1,260.56	-	-
Lease liabilities	1,551.00	-	-	631.87	-	-
<b>Total</b>	<b>52,752.65</b>	<b>-</b>	<b>-</b>	<b>33,116.91</b>	<b>-</b>	<b>-</b>

**Note 39 - 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's 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**

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Non current borrowings	14	11,089.58	10,894.97
Current maturities of non current borrowings	14	4,300.00	1,520.83
Current borrowings	14	12,131.36	4,982.93
Less : Cash and cash equivalents	12(a)	2,799.28	2,561.86
Less : Other bank balance	12(b)	715.99	5,050.33
<b>Net Debt (a)</b>		<b>24,005.67</b>	<b>9,786.54</b>
Equity share capital	13	2,880.28	2,880.28
Other Equity	SOCE	85,782.95	74,350.31
<b>Total Capital (b)</b>		<b>88,663.23</b>	<b>77,230.59</b>
<b>Gearing Ratio (a/b)</b>		<b>27.08%</b>	<b>12.67%</b>

**Note 40 - 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 credit risk, liquidity risk and market 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 accounts for loss allowance based on its experience of write-off in the previous years.

The movement in loss allowance is as under:

Particulars	Amount
<b>Opening balance</b>	<b>24.30</b>
Trade Receivables - credit impaired	-
Trade Receivables which have significant increase in credit risk	-
Written off during the year	(5.33)
Amount received	-
<b>Balance at the end</b>	<b>18.97</b>

**(b) Liquidity risk management**

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the Company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The working capital credit facilities are continuing facilities which are reviewed every year. The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

Particulars	As at March 31, 2023	As at March 31, 2022
Total sanctioned limits from banks	20,000.00	12,200.00
Utilized	9,631.36	4,982.93
Unutilized	10,368.64	7,217.07

**(i) 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.

Particulars	Upto 1 year	Between 1 to 5 years	Over 5 years	Total
<b>As at March 31, 2023</b>				
Borrowing *	6,800.00	11,089.58	-	17,889.58
Trade payable	21,416.81	185.29	-	21,602.10
Other financial liabilities	2,078.61	-	-	2,078.61
Lease Liabilities	407.54	1,117.32	26.14	1,551.00
<b>Total non-derivatives liabilities</b>	<b>30,702.96</b>	<b>12,392.19</b>	<b>26.14</b>	<b>43,121.28</b>
<b>As at March 31, 2022</b>				
Borrowing *	1,520.83	10,894.97	-	12,415.80
Trade payable	13,593.68	232.07	-	13,825.75
Other financial liabilities	1,260.56	-	-	1,260.56
Lease Liabilities	207.86	424.01	-	631.86
<b>Total non-derivatives liabilities</b>	<b>16,582.93</b>	<b>11,551.05</b>	<b>-</b>	<b>28,133.97</b>

\* Excludes utilized working capital limit disclosed above under liquidity risk management.

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### (c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and credit risk. Financial instruments affected by market risk include deposits. The functional currency of the Company is Indian Rupee.

#### i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations (including current maturities of long-term borrowings) with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and floating interest rates on borrowings.

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Currency	Increase/ (decrease) in basis points	Effect on profit before tax	
		As at March 31, 2023	As at March 31, 2022
INR	+50 bps	(2.77)	(3.07)
INR	-50 bps	2.77	3.07

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

#### 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 denominated in Rupees are as follows :

Particulars	Assets		Liabilities	
	As at March 31, 2022			
SGD	7.95	-	-	-
USD	262.58	75.77	-	-
<b>Total</b>	<b>270.53</b>	<b>75.77</b>	<b>-</b>	<b>-</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 vice-versa.

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	strengthens by 1%	weakens by 1%	strengthens by 1%	weakens by 1%
Impact on profit for the year *				
SGD	0.08	(0.08)	-	-
USD	2.63	(2.63)	0.76	(0.76)

\* Holding all other variables 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.

The Company does not have any foreign currency derivatives contracts outstanding as at March 31, 2023 and March 31, 2022.

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 41 - Employee benefits plans

#### Defined benefits plans

The Company's gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months (subject to maximum of ₹ 20.00 lacs). Vesting occurs upon completion of 5 years of service. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

	Gratuity	
	As at March 31, 2023	As at March 31, 2022
<b>Movement in the present value of defined benefit obligation (A)</b>		
1. Present value of obligation as at the beginning of the year	470.52	449.85
2. Current service cost	97.55	65.59
3. Past service cost	-	-
4. Interest cost	33.78	30.20
5. Actuarial (gain) / losses arising from change in Demographic Assumption	2.42	-
6. Actuarial (gain) / losses arising from change in Financial Assumption	12.92	(13.42)
7. Actuarial (gain) / losses arising from change in Experience Adjustments	(5.00)	(8.03)
8. Benefits paid	(20.26)	(53.67)
<b>9. Present value of obligation as at the end of the year</b>	<b>591.93</b>	<b>470.52</b>
<b>Liability recognized in the financial statement (A-B)</b>	<b>591.93</b>	<b>470.52</b>
<b>Main actuarial assumption</b>		
Discount rate	7.36%	7.18%
Expected rate of increase in compensation levels	8.50%	8.00%
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2012-14):-		
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)	60	58

#### Maturity profile of defined benefit obligation

Year	Gratuity Amount
0 to 1 year	136.19
1 to 2 year	23.48
2 to 3 year	26.23
3 to 4 year	12.27
4 to 5 year	21.97
5 to 6 year	24.17
6 year onwards	347.63

	Gratuity	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Cost for the period</b>		
1. Current service cost	97.55	65.59
2. Past service cost	-	-
3. Net interest cost	33.78	30.20
<b>Total amount recognised in statement of profit or loss</b>	<b>131.33</b>	<b>95.79</b>
<b>Re-measurements recognised in Other comprehensive income</b>		
1. Actuarial (gain) / losses arising from change in demographic assumption	2.42	-
2. Actuarial (gain) / losses arising from change in financial assumptions	12.92	(13.42)
3. Actuarial (gain) / losses arising from change in experience adjustments	(5.00)	(8.03)
<b>Total re-measurements included in Other Comprehensive Income</b>	<b>10.34</b>	<b>(21.45)</b>
<b>Total amount recognised in statement of profit and loss</b>	<b>141.67</b>	<b>74.34</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.

Particulars	Gratuity
<b>a) Impact of the change in discount rate *</b>	
Present value of obligation at the end of the year	591.93
i). Impact due to increase of 0.50%	(27.93)
ii). Impact due to decrease of 0.50%	27.07
<b>b) Impact of the change in salary increase *</b>	
Present value of obligation at the end of the year	591.93
i). Impact due to increase of 0.50%	24.98
ii). Impact due to decrease of 0.50%	(26.35)

\* 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 :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Company's contribution to provident fund and other funds	228.20	155.75
<b>Total</b>	<b>228.20</b>	<b>155.75</b>

**Note 42 - 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 into identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment. Hence, the disclosure requirements in terms of Ind AS 108 "Operating Segments" are not applicable.

**Note 43 - Information about major customer**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale to Rajasthan State Ganganagar Sugar Mills Limited (RSGSM)	135,403.84	113,126.24
(includes excise duty of ₹ 57,803.28 Lacs for the year ended March 31, 2023 and ₹ 57,534.95 Lacs for the year ended March 31, 2022)		
<b>Total</b>	<b>135,403.84</b>	<b>113,126.24</b>

No other single customer contributed 10% or more to the Company's revenue during financial year 2022-2023 and 2021-2022.

**Note 44 - Related party****Key management personnel and their relatives :**

Mr. Ajay Kumar Swarup, Managing Director  
 Mr. Shekhar Swarup, Joint Managing director  
 Dr. Bhaskar Roy, Executive Director and Chief Operating Officer  
 Mr. Nilanjan Sarkar, Chief Financial officer  
 Mr. Manik Lal Dutta, Executive Director (till August 01, 2022)  
 Mr. Santosh Kumar Pattanayak, Company Secretary

**Enterprises over which key management personnel and / or their relatives exercise significant influence :**

Biotech India Limited  
 Rajasthan Distilleries Private Limited  
 ADL Agrotech Limited (Formerly known as Associated Distilleries Limited)  
 Rambagh Facility Services LLP  
 Rambagh Estate Private Limited  
 Chandbagh Investments Limited  
 Globus Infosys Private Limited  
 India Paryavaran Sahayak Foundation (IPSF)  
 Astral Capital Private Limited  
 Inshakti Foundation (Formerly known as Grass Skills Foundation) (till October 21, 2021)

**(i) Transactions with related parties**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Rent</b>		
Rajasthan Distilleries Private Limited	90.60	46.04
Biotech India Limited	90.60	46.04
ADL Agrotech Limited	174.24	158.40
Rambagh Estate Private Limited	7.48	-
Rambagh Facility Services LLP	30.99	-
<b>Strategic and Technical Consultancy</b>		
Rambagh Facility Services LLP	80.00	-
<b>Maintenance charges</b>		
	68.05	29.06
<b>Security deposit given</b>		
Rambagh Facility Services LLP	13.58	-
<b>CSR amount paid</b>		
India Paryavaran Sahayak Foundation	50.00	25.00
Inshakti Foundation (Formerly known as Grass Skills Foundation)	-	10.98

**Closing balances with related parties :**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Security deposit given</b>		
ADL Agrotech Limited	398.61	369.08
Rajasthan Distilleries Private Limited	38.05	38.05
Biotech India Limited	34.66	34.66
Rambagh Facility Services LLP	25.58	12.00
<b>Other receivable / (payable)</b>		
Rajasthan Distilleries Private Limited	-	26.04
	-	26.04
<b>Investment outstanding</b>		
India Paryavaran Sahayak Foundation	0.30	0.30

**(ii) Transactions with key managerial personnel and their relatives:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Managerial remuneration</b>		
Mr. Ajay Kumar Swarup	514.21	307.69
Mr. Shekhar Swarup	469.33	270.88
Dr. Bhaskar Roy	94.76	96.97
Mr. Manik Lal Dutta (till July 31, 2022)	20.67	63.25
Mr. Nilanjan Sarkar	90.00	14.80
Mr. Santosh Kumar Pattanayak	22.92	19.87

**Note 45 - Employee Stock Option Plan**

Under the employee share based payment plans, certain employees were granted stock options of Globus Spirits Limited ('GSL'). The plan was assessed, managed and administered by the GSL. Plan granted to employees are equity-settled.

The Company applied Ind AS 102 - Share based payments to share based payment transactions. Pursuant to this standard, stock options granted to the employee by GSL were measured at fair value and recognised in the Statement of Profit and Loss over the vesting period of the options and crediting other equity. The fair value of stock options was determined by the GSL using the Black Scholes option pricing model.

The movement in the stock options under the Plan, during the year, is set out below:

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	Number of option	Weighted average exercise price (Rs.)	Number of options	Weighted average exercise price (Rs.)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	20,284	10	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	20,284	10	-	-
<b>Exercisable at the end of the year</b>	-	-	-	-

Employee stock compensation expense in relation to stock options granted to employees of GSL is ₹ 83.66 Lacs (Previous year ₹ Nil)

Employee stock compensation expense under the Fair Value Method has been determined based on fair value of the stock options. The fair value of stock options was determined using the Black Scholes option pricing model with the following assumptions:

Particulars	
Grant date	October 01, 2022
Expected volatility	56.66%
Risk free interest rate	7.40%
Exercise price (₹)	10.00
Expected dividend yield	0.60%
Life of options (year)	1.00
Weighted average exercise price	10.00
Weighted average fair value of options as at the grant date (Rs.)	824.88
Expected Option Life	The expected option life is assumed to be mid-way between the option vesting and expiry.
Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price. The historical period considered for volatility is matched with the life of options.
Model used	Black-Scholes Method

How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and

Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.

The following factors have been considered:  
(a) Share price (b) Exercise prices (c) Historical volatility (d) Expected option life (e) Dividend Yield

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 46 - Key ratios

Ratios	Numerator	Denominator	Measurement	As at March 31, 2023	As at March 31, 2022	% Variance	Reason for Variance*
<b>Current Ratio</b>	Current assets	Current Liabilities	Current Asset/ Current Liabilities	1.10	1.51	-27.40%	Increase in current liability due to availment of working capital limits and payables on account of Jharkhand plant and increased volumes of IMFL.
<b>Debt-Equity Ratio</b>	Total Debt	Shareholder's Equity	Total Debt/ Shareholder's Equity	0.31	0.23	-(37.78%)	Increase in overall debt balance due to availment of working capital limits and disbursement of term loans on account of Jharkhand plant.
<b>Debt Service Coverage Ratio</b>	Earning available for debt service	Debt Service	Earning available for debt service/ Debt service	2.56	1.49	72.04%	Increase in overall debt balance due to availment of working capital limits and disbursement of term loans on account of Jharkhand plant and decrease in earnings on account of increased cost of raw material and power and fuel.
<b>Return on Equity Ratio</b>	Net Profit after tax (PAT)	Average shareholder's equity	PAT/Average shareholder's equity	14.73%	27.48%	(46.38%)	Decrease in profits due to increased cost mainly on account of prices of raw material and rice husk.
<b>Inventory Turnover Ratio</b>	Cost of goods sold or sales	Average inventory	Cost of goods sold/Average Inventory	9.32	7.96	17.13%	
<b>Trade Receivables Turnover Ratio</b>	Net Credit Sales	Average accounts receivables	Sale of product and services/ Avg. accounts receivables	12.80	15.33	(16.50%)	
<b>Trade Payables Turnover Ratio</b>	Net Credit Purchases	Average accounts payables	Purchase of goods and services/ average accounts payable	7.23	6.57	9.95%	
<b>Net Capital Turnover Ratio</b>	Net Sales	Working Capital	Net Sales/ Working Capital	47.42	12.09	-292%	Increased sales due to introduction of Jharkhand Plant and increased volumes and decreased working capital due to availment of working capital limits and payables.
<b>Net Profit Ratio</b>	Net Profit after tax (PAT)	Revenue from operations	PAT/Revenue from operations	4.33%	7.99%	(45.81%)	Decrease in profits due to increased cost mainly on account of prices of raw material and rice husk.
<b>Return on Capital Employed</b>	Earning before interest and taxes (EBIT)	Capital Employed	EBIT/Capital Employed	15.49%	28.28%	-(45.21%)	Decrease in earnings due to increased cost mainly on account of prices of raw material and inventory balances at the year end.
<b>Return on Investment</b>	Net return on investment	Average value of investment	Net return on investment / Average value of investment	0.00%	0.00%	0.00%	

\* Explanation has been provided where change in the ratio is more than 25% as compared to the ratio of preceding year.

## Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### Note 47 - Income Tax matter

During the current year, the Income Tax Department ("the Department") has conducted a search and seizure operation at the head office, along with other premises of the Company from January 30, 2023 to February 03, 2023 under Section 132 of the Income Tax Act, 1961. The Company has provided necessary support, co-operation and documents as requested by the Department during the search and seizure operation. As on date the Company has not received any communication from the department in this regard.

While the uncertainty exists regarding the outcome of the search and seizure carried out by the Department, the Company after considering all available information and facts as of date, has not identified the need for any adjustments in the financial statements.

### Note 48 - Fair value hierarchy

None of the Company's financial assets are measured at fair value at the end of each reporting period.

### Note 49 - Dividend paid

The Company has paid final dividend amounting to ₹ 864.08 Lacs (₹ 3 per equity share (par value of ₹10 each)), basis the dividend declared by the board of directors in their meeting held on May 24, 2022. The payment was made post approval by 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 2022-23, the Board of Directors recommended a final dividend of ₹ 6 per equity share (par value of ₹10 each). This payment is subject to the approval of shareholders in the 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. The book closure date for the purpose of the payment of final dividend and AGM date will be announced in due course.

### Note 50 - Additional Disclosures

Particulars	Notes in financial statements
Details of Benami Property held	The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
Relationship with Struck off Companies	The Company does not have any transactions with struck-off companies.
Registration of charges or satisfaction with Registrar of Companies (ROC)	The Company does not have any charges which are yet to be registered with ROC beyond the statutory period. In respect of borrowings repaid during the year, the Company is yet to receive no dues certificate from the banks, pending which, satisfaction of charges is yet to be registered with ROC.
Details of Crypto Currency or Virtual Currency	The Company have not traded or invested in crypto currency or virtual currency during the year.
Utilisation of Borrowed funds and share premium	The Company have not advanced or loaned or invested funds to any other person or entity including foreign entities (Intermediaries) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of Company (Ultimate Beneficiaries); or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of funding party (Ultimate Beneficiaries); or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
Undisclosed Income	The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
Core Investment Companies (CIC)	The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has one register CIC and one unregistered CIC as part of the Group.

## **Globus Spirits Limited**

# Notes forming part of the financial statements

All amounts are in ₹ Lacs, unless otherwise stated

### **Note 51 - Subsequent Events**

All events or transactions that have taken place between March 31, 2023 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 financial statements were approved for issue by the Board of Directors on May 25, 2023.

### **Note 53 - Previous year's figures**

Previous year's figures are given in brackets and italics.

### **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**

DIN-02805627

**Nilanjan Sarkar**  
**Chief Financial Officer**

**Santosh Kumar Pattanayak**  
**Company Secretary**

ACS-18721

Place : New Delhi

Date : May 25, 2023