Globus Spirits

ENAbling Excellence

Globus Spirits Limited
2017-18 Annual Report

Contents

Corporate Information

Chairman
Mr. Joginder Singh Dhamija
(Non Executive & Independent Director)

Managing Director
Mr. Ajay Kumar Swarup

Joint Managing Director
Mr. Shekhar Swarup

Executive Directors
Mr. Vijay Kumar Rekhi
Mr. Manik Lal Dutta
Dr. Bhaskar Roy

Non-Executive Directors
Mr. Richard Piliero.
Ms. Ruchika Bansal

Non-Executive & Independent Directors
Mr. Sunil Chadha.
Mr. Santosh Kumar Bishwal
Mr. Kunal Agarwal

Key Managerial Personnel
Mr. Santosh Kumar Pattanayak : Company Secretary
Mr. Ajay Kumar Goyal : 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, Lakshmi Vilas 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
44, Community Centre, 2nd Floor, Naraina Industrial Area
Phase-I, Near PVR Naraina, New Delhi-110028

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

Website : www.globusspirits.com

ENAbling Excellence

Through our commitment to performance we have been

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

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

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

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

ENAbling Product Excellence

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

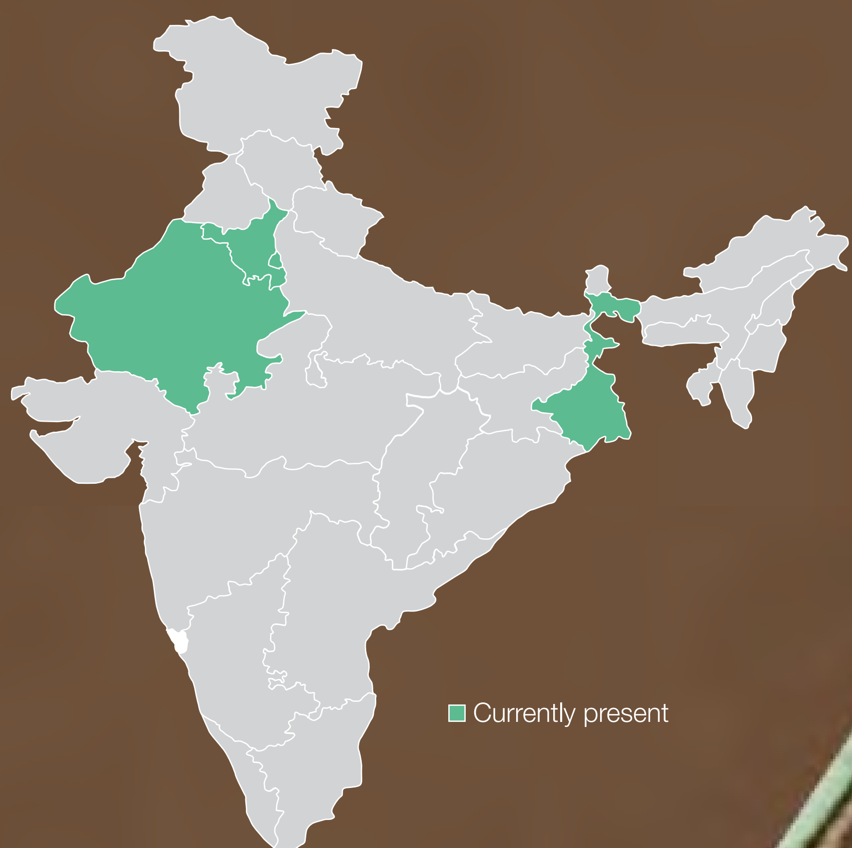
In fact, we were the 1st company to use this high quality ENA for producing IMIL even before the Government started to mandate it.

ENAbling Marketing Excellence

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

ENAbling PAN India IMIL leadership

We envisage ourselves as becoming PAN India IMIL leaders, making the most of opportunities emerging in new markets. Our entry in West Bengal is a step towards the same.



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.

RIGHT PARTNERS

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

RIGHT VALUES

We operate on high standards of governance, fair and transparent in all our dealings whether internally or with our customers, suppliers, and dealers. We encourage a culture of participation and truthfulness.

RIGHT TEAM

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

ENAbling Manufacturing Excellence

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

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

ENAbled excellence in our manufacturing facilities helped us achieve:

- ~114 million litres of production with zero discharge
- End to end production of over 16 million cases of bottled beverages
- ~90% utilization of operating capacity, ~45% used in-house for value added products
- Over 5 years of relationship with India's top 2 IMFL companies

ENAbling Excellence at Unibev

Our premium IMFL venture, Unibev, is ENAbling excellence by creating a disruption in the market with a robust portfolio of differentiated brands having an age claim. Unibev is a collaborative beverage alcohol start up led by Vijay Rekhi, former President of United Spirits and a liquor industry veteran.

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

Unibev's L'Affaire Napoleon Premium French brandy, created with 3 Year Old matured grape spirit, was launched in Puducherry in December 2017. Recently Unibev launched Governor's Reserve whisky created with 12 Year Old matured scotch and Oakton Barrel Aged whisky created with 18 Year Old matured scotch. The company will soon introduce its super premium whisky, Seventh Heaven Blue, blended with 21 Year Old matured scotch.

360° EXPANSION IN FY18

01

STRENGTHENING OF OUR BRANDS

Ghoomer, largest selling IMIL brand by a private player in Rajasthan, with over 16% market share

Launched Goldee as an umbreall brand with multiple flavor variants in West Bengal

02

MAINTAINED DOMINANCE IN IMIL MARKET

with total sales of~12.9 mn cases; significant market share in states of presence

03

STEADY PERFORMANCE OF IMFL FRANCHISEE BUSINESS WITH VOLUMES SUSTAINING AT ~3.4MN CASES

04

ACHIEVED ROBUST PERFORMANCE IN BULK ALCOHOL PRODUCTION WITH VOLUME CAGR OF 12.9% DURING FY13 TO FY18

Sustained high utilization levels due to 360° degree approach

Total capacity[1] of ~150mn Bulk Litres of alcohol

05

EXPANDING IMIL FOOTPRINT

Recently entered attractive West Bengal IMIL market backed by the 360° model

06

FORAYING INTO PREMIUM IMFL

Unibev, premium IMFL venture, launched its first brand in Pondicherry

07

FINANCIAL HIGHLIGHTS

Steady growth of 25.2% to reach revenues of ~₹ 9.7bn

EBITDA of ₹ 749mn and PAT of ₹ 70mn

Sound balance sheet position with debt-equity ratio of 0.64x

[1]Bihar plant having capacity of ~26mn litres was closed during the entire year pursuant to Bihar government regulation pertaining to distilleries.

Chairman's Message

Dear Shareholder,

It gives me great pleasure to share with you an update on your Company's performance for the Financial Year 2017-18. This truly was a defining year as your Company solidified its presence in East India and embarked on a new and exciting journey in premium IMFL through its recently formed subsidiary Unibev Ltd. This reinforces our successful 360° business model allowing us to leverage opportunities across the value chain and geogrpahies.

After the West Bengal plant commenced operations in late H2 FY2017, the year under review was its first full year of operations. The plant quickly ramped up utilization levels to deliver 90% plus capacity utilization during the year, a testimony to the abilities of our technical and engineering team. We also started making in-roads into West Bengal IMIL market and saw good traction for our brand 'Goldee'. Higher margins in West Bengal driven by a combination of higher alcohol prices and lower raw material prices aided in delivering healthy operating profits despite an unfavourable change in overall product mix.

In what could be a historic moment for your Company, we launched our first premium IMFL product from the stable of Unibev under the aegis of the highly experienced and regarded Mr Vijay Rekhi. Having an association of more than four decades with the spirits industry and having successfully led the largest IMFL company in India, Mr Vijay Rekhi is now leading your Company's foray in premium IMFL. The first brand launched is a premium brandy named Laffaire in the State of Pondicherry in December of 2017. Having received an extremely encouraging response, the Unibev team is all set to launch more brands and expand geographic footprint in the current financial year.

During the year under review your Company reported Rs 969 crore revenue from operations (net), a growth of 25% over the previous year, combined with stable EBITDA margins. While the higher spreads in West Bengal and continued supremacy in Rajasthan IMIL ensured healthy operational margins, the additional depreciation and debt servicing due to closure of Bihar plant combined with dip in Haryana IMIL weighed down overall profitability.

I am glad to share that there have been some positive developments in the last few months which would could have a significant bearing on your company's performance in the ensuing periods.

The Bihar government upon orders of the High Court has allowed manufacturing of ENA in the state implying that we can now recommence our distillery and export ENA out of the state and also out of the country. In Rajasthan, which is our largest IMIL contributor, the government has announced a much awaited average price hike of ~ ₹ 31 per IMIL case which would positively impact profitability.

The Biofuel policy recently approved by Cabinet has permitted ethanol manufacturing from various grains. With crude prices rising, the government is seeking to increasingly substitute expensive imports with locally produced bio-fuels and therefore increase the blengin rate of ethanol from 10% to 15% and eventually 20% over a period of time. This could increase ethanol purchases to 300 plus crore litres per annum. The tender documents from OMCs for purchase of ethanol place a premium on grain based ethanol over the traditional molasses based ethanol. This is a welcome move especially when we are in a position to restart Bihar.

Your Compay has evolved significantly over the last few years and particularly in the year under review – I believe that we are in a very interesting phase of our journey and have the potential to rapidly reach new heights.

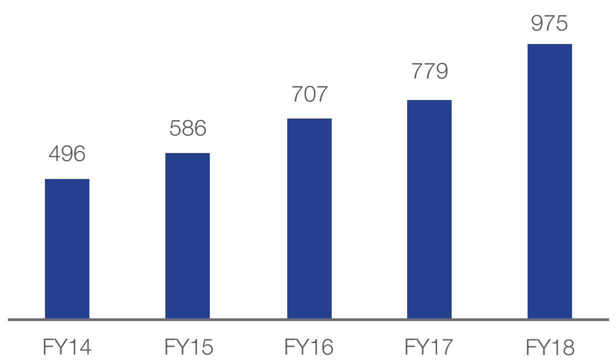
I take this opportunity to thank our valued employees, business partners, vendors as well as other stakeholders, for their unstinted support during this exciting journey. I would also like to express my sincere gratitude to all of our shareholders for your continued support and encouragement.

Sd/-

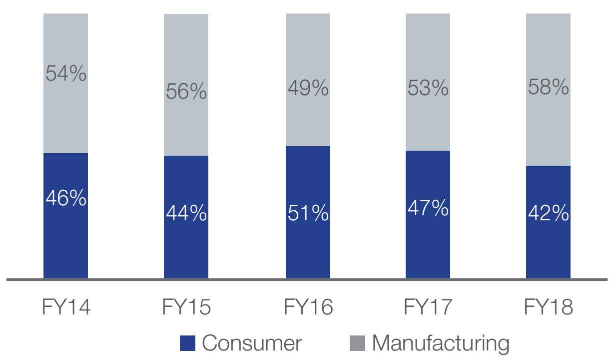
Chairman

Historical Financials
(Standalone)

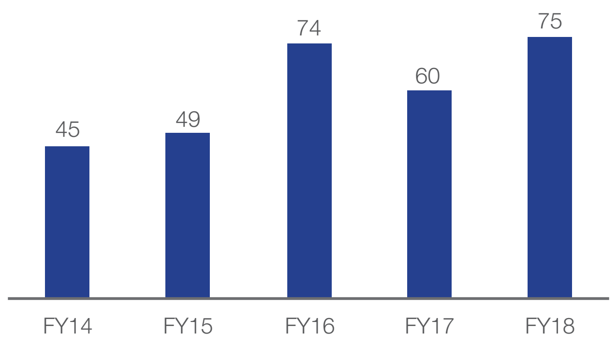
Net Revenues (₹ Crore)



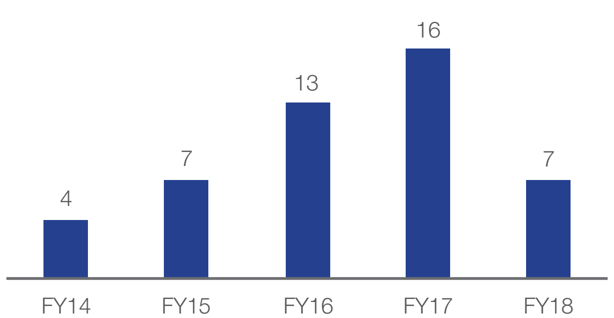
Segment Revenue Split



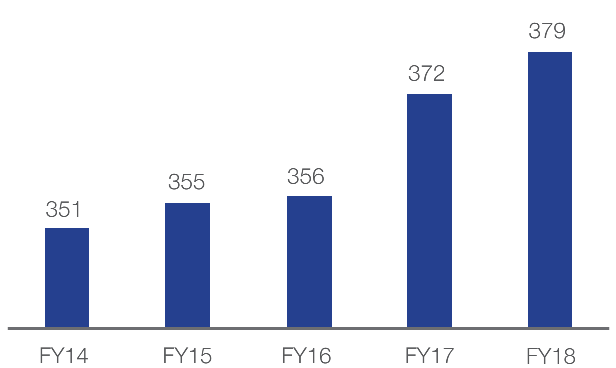
EBITDA (₹ Crore)



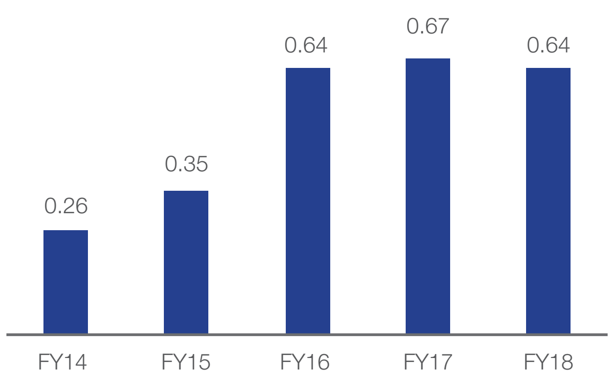
Profit after Tax (₹ Crore)



Net Worth (₹ Crore)



Debt-Equity Ratio (x)



* Post financial have been restated to reflect changes in accounting policies/practices

Boards, Report

To the Members

Your Board of Directors are pleased to present the Twenty-fifth Annual Report and Audited Accounts for the year ended 31st March, 2018.

FINANCIAL PERFORMANCE

(₹. In Lacs)

Particulars	Current Year (2017-18)		Previous Year (2016-17)	
	Standalone	Consolidated	Standalone	Consolidated
Total Revenue	163656.22	163664.76	111296.82	111271.24
Total Expenses	162501.76	162648.05	109699.15	109840.42
Profit before Explanatory items & Tax	1154.46	1016.71	1597.67	1430.82
Less: Provision for taxation including Deferred tax	452	452.01	(16.68)	(16.69)
Profit/ (Loss) after tax	702.46	564.70	1614.35	1447.51
Basic EPS	2.45	1.98	5.60	5.02
Diluted EPS	2.45	1.98	5.60	5.02

PERFORMANCE OVERVIEW

During the year under review the company reported a growth of 25% in net revenue as compare to previous year and PBT has been decreased by Rs.414.11lakhs from the previous year and also PAT has been decreased by Rs.882.81lakhs from the previous year. The Basic and Diluted EPS of the Company is Rs.1.98/- as compared to Rs.5.02/- in the previous year.

THE YEAR IN PERSPECTIVE

The alcohol sector remained under pressure for most part of 2017-18 due to impact of macro developments like demonetisation and GST in general and restrictive alcohol policies in particular. However, industry sentiment slightly improved towards the second half with more clarity emerging on GST, reduced impact of highway ban and increase in rural offtake. Despite the overall challenging environment, your Company's resilient performance was once again a testimony to its robust 360º business model.

In FY17-18, your Company reported a growth of 25% in net revenue from operations to reach Rs 969.0 crore and stable EBITDA margins at 7.7%. Overall profitability was subdued due to closure of Bihar plant. While the plant failed to generate any revenues, higher debt servicing and depreciation costs impacted PAT margin, which declined from 2.1% in the previous year to 0.7% in FY17-18.

The growth was led by manufacturing business which grew by 36% during the year driven by rapid scale up in the newly commissioned West Bengal plant. After commencing operations in early 2017, the plant ramped up quickly to reach 90% plus capacity utilization during FY17-18. Higher ENA prices coupled with lower raw material costs in West Bengal ensured higher spreads on bulk alcohol, though this was partly offset by lower price realizations in DDGS.

Driven by strong performance of bulk alcohol, the proportion of manufacturing business in revenues grew from 53% in FY16-17 to 58% in the year under review.

The consumer business comprising IMIL grew by 8% during the year which was driven by another year of excellent performance in Rajasthan partly offset by decline in volumes in Haryana. In Rajasthan, we edged up our market share from 30% to 32% underlining the strong acceptance of our brands in the state. While the overall alcohol sector has seen slowdown in recent times, the IMIL market in Rajasthan has been very impressive growing at a double digit rate over the last three years.

After a marginal improvement in market environment in the previous year, the operating conditions for IMIL again became very difficult in Haryana during FY17-18 also reflected in a 9% decline in industry volumes. Though we continued to maintain a double digit market share, our volumes saw a 30% decline impacting profitability.

In West Bengal, we have started making inroads into the IMIL market and there is good traction for our brands. One of the largest markets in the country, our focus is on sustained and profitable brand building.

In March 2018, in an important development, the Bihar government, pursuant to orders from the High Court, announced reversal of its earlier policy, thereby allowing renewal of distillery licenses. This means that your company is no longer restricted and can start operations in the state.

The year 2017-18 is also significant in the history of your Company as we made our foray into premium IMFL, a fast growing and highly profitable industry segment. Your Company's subsidiary, Unibev Ltd, a venture in premium IMFL, launched its first brand in the state of Pondicherry – a premium brandy called Laffaire. The brand has received strong acceptance from consumers and channel partners.

MATERIAL CHANGES AFTER MARCH 31, 2018 AFFECTING THE COMPANY

After the launch of its first premium IMFL brand in December 2017, your Company's subsidiary Unibev Ltd launched two premium whisky brands in the state of Karnataka in June 2018, both of which have received an encouraging response.

DIVIDEND

Your Directors do not recommend any dividend for the financial year 2017-18 because the company wants to reserve funds for its ongoing projects.

PUBLIC DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year Mr. Sunil Chadha, have been appointed as Additional Directors in the company on 21st May 2018 respectively and pursuant to section 161 (1) of the Companies Act, 2013, the said director Mr. Sunil Chadha will hold office only upto the date of forthcoming AGM of the company and is eligible for appointment as Director. The Board recommends his appointment and accordingly resolution seeking approval of the members for their appointment has been included in the Notice of forthcoming Annual General Meeting of the Company along with their brief profile.

Mr. Vivek Gupta, Non Executive & Independent Director of the company has been resigned from the Board of the Company w.e.f. 21st May, 2018. The Directors place on record their appreciation of the valuable contribution made by him.

Mr. Vijay Kumar Rekhi, Executive Director of the company and Dr. Bhaskar Roy, Executive Director of the Company, retire by rotation and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

SUBSIDIARY COMPANIES

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

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

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy of the Company and the details about the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in **Annexure-II** to this Report. Further details of composition of the Corporate Social Responsibility Committee and other details are provided the Corporate Governance Report which forms part of this report.

The policy on Corporate Social Responsibility as approved by the Board of Directors is available on the website of the Company www.globusspirits.com.

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.

AUDITORS

Pursuant to provisions of Section 139 of the Companies Act 2013, M/s Deloitte Haskins & Sells, Firm Regn No.015125N, Chartered Accountants, having their office at 7th Floor, Building 10, Tower B, DLF Cyber City Complex, DLF City Phase-II, Gurgaon-122002, Haryana, who were appointed in the 21st AGM as statutory auditors of the Company for a period of the first term of five consecutive years till the conclusion of 26th AGM, subject to ratification at every annual general meeting in terms of the Companies Act 2013.

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, 1st Floor, Old MB Road, Lado Sarai, New Delhi-110030, as Cost Auditor for conducting the Cost Audit for the financial year 2017-18. The audit committee recommended his appointment and remuneration. The Company has also received necessary certificate under Section 141 of the Act 2013 conveying his eligibility for re-appointment. The remuneration fixed by the board, based on the recommendation of the audit committee is required to be ratified by the members at the AGM as per the requirement of Section 148(3) of the Act 2013.

SECRETARIAL AUDIT REPORT

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

PARTICULARS OF EMPLOYEES

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

Particulars of Top Ten Employees:

Name	Designation	Nature of Employment	Age	Date of Joining	Qualifications & Experience	Previous Employment	%age of Equity shares held	Gross Remuneration
Ajay Kumar Swarup	Managing Director	Permanent	59	16-Jan-1993	PGDBM (34 years of experience)	M/s SVP Industries Ltd.	5.62%	10799996
Shekhar Swarup	Joint Managing Director	Permanent	32	27-Oct-2008	Degree in Business & Management (8 years of experience)	N.A.	1.87%	8100000
Vijay Rekhi	Executive Director	Parmanent	73	19-Mar-2017	Collegiate from Harvard (HBS) and Wharton Business Schools, MBA from (IIM), Ahmedabad, (50 years of work experience)	United Spirits Limited	Nil	6900000
Bhaskar Roy	Executive Director & COO	Permanent	55	04-Oct-2005	Mcom, FCA, PHD (30 years of experience)	M/s Saraya Industries Limited	0.00%	6292261
Sachin Narang	VP-Consumer Products	Permanent	51	27-Nov 2017	PGDBA, BBA (18 years of experience)	M/s Diageo India	0.00%	4700004
Ajay Goyal	Chief Financial Officer	Permanent	48	18-Mar-2015	CA (21 years of experience)	M/s Toyoda Gosei Minda India Pvt. Ltd.	0.00%	4555445
Manik Lal Dutta	Executive Director	Permanent	72	01-Aug-2006	M.Tech, PGDBM (46 years of experience)	M/s United Spirits Limited	0.007%	4150557
R.K. Malik	Sr. Vice President	Permanent	61	15/Aug/2000	MBA (41 years of experience)	M/s Golden Bottling	0.00%	4000008
Jasbeer Singh	Vice President – Exports	Permanent	60	01-Oct-2014	BSc., MBA(over 16 years of experience)	N.A.	0.00%	3531600
Amitabh Singh	Vice President	Permanent	51	16-Apr-2013	B.Sc. Engineering (28 years of experience)	M/s Radico Khaitan Limited	0.00%	3430966

Notes:

1. The percentage of equity share holding mentioned as above is as on 31st March 2018.
2. None of the Directors or employees are inter related to each other except Sh. Ajay K. Swarup, Managing Director of the company is the father of Sh. Shekhar Swarup, Joint Managing Director of the company.

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

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

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

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

DIRECTORS RESPONSIBILITY STATEMENT

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

1. That in preparation of the Annual Accounts for the financial year 2017-18, 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 31st March, 2018 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 2017-18 on a going concern basis.
5. That they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly ; and
6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

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

NUMBER OF MEETINGS OF THE BOARD

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

AUDIT COMMITTEE

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

INDEPENDENT DIRECTORS' DECLARATION

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

POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

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

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.

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 2017-18 except to its Subsidiary M/s Unibev Limited (formerly known as M/s Uber Blenders & Distillers Limited).

SECRETARIAL STANDARDS

All the provisions of Secretarial standards has been complied by the Company during Financial Year 2017-18.

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.

INTERNAL CONTROL

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

RISK MANAGEMENT

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

VIGIL MECHANISM

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

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

Financial position of the subsidiary M/s Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Ltd.) is provided in a separate statement **AOC-1**, attached to the Financial Statement pursuant to first proviso to Section 129(3) of the Act.

PARTICULARS OF REMUNERATION

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

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

Executive Directors	Ratio to the Median Remuneration*
Mr. Ajay Kumar Swarup	40.91
Mr. Shekhar Swarup	30.68
Mr. Manik Lal Dutta	15.72
Dr. Bhaskar Roy	23.83
Non-Executive Directors (Sitting Fees only)	
Sh. Santosh Kumar Bishwal	0.78
Sh. Joginder Singh Dhamija	1.11
Sh. Kunal Agarwal	0.22
Sh. Vivek Gupta	0.33
Ms. Ruchika Bansal	0.22

* 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)	8%
Mr. Shekhar Swarup (Executive Director)	8%
Mr. Manik Lal Dutta (Executive Director)	8%
Dr. Bhaskar Roy (Executive Director)	8%
Sh. Ajay Kumar Goyal (CFO)	8%
Sh. Santosh Kumar Pattanayak (Company Secretary)	6%

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

5% (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 31/03/2018: 376

(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 2017-18 was 8% approximately. Percentage increase in the managerial remuneration for the year was also approximately 8%.

(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

(Ajay Goyal)
Chief Financial Officer

Place: New Delhi
Date: 10/08/2018

Annexure I
to the Directors' Report 2017-18

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		**2017-2018**	**2016-2017**
Foreign Exchange earnings (Export Sale)		INR62.07crores	INR85.72crores
Foreign Exchange used	(Import of Machine)	NIL	INR4.85crores

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

(Ajay Goyal)
Chief Financial Officer

Place: New Delhi
Date: 10/08/2018

ANNEXURE -II

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility Policy – Overview

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

The Composition of the CSR Committee.

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

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

Terms of reference of the CSR Committee are:

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

Average net profit of the company for last three financial years : Rs.10,01,37,267/-

Prescribed CSR Expenditure (two percent of the Average net profit) : Rs.20,02,745/-

Details of CSR spent during the financial year. During the FY 2017-18, the company spent Rs.12.50lakhs in the following manner. The rest of the amount could not be spent because during the time period, the company was able to evaluate & undertake only two projects, one for conducting various skill development programme in Behror (Rajasthan) and Samalkha (Haryana) and another by way of donating to John Martin Memorial Trust, which is solely engaged for the purpose of providing education and nutrition to under privileged children.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Subheads: (1)Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Training and skill development programme	Training and Skill development	Behror (Rajasthan) and Samalkha (Haryana)	Rs.10 lakhs	Rs.10 lakhs	Rs.10 lakhs	Directly executed by the company
2	providing education and nutrition of under privileged children.	Education and nutrition of under privileged children	Dehradun (Uttarakhand)	Rs.2.50 lakhs	Rs.2.50 lakhs	Rs.2.50 lakhs	Through Implementing Agency M/s John Martin Memorial Trust

For and on behalf of the Board of Directors

Place: New Delhi
Date: 10/08/2018

(Dr. Bhaskar Roy)
Executive Director

(Ajay K. Swarup)
Managing Director

(Santosh Kumar Bishwal)
(Chairman-CSR Committee)

ANNEXURE -III

FORM NO. MGT 9

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

EXTRACT OF ANNUAL RETURN AS ON FY ENDED ON 31/03/2018

I	**REGISTRATION & OTHER DETAILS:**	
i	CIN	L74899DL1993PLC052177
ii	Registration Date	16th February 1993
iii	Name of the Company	M/s Globus Spirits Limited
iv	Category of the Company	Manufacturing & Marketing of Alcoholic Beverages
v	**Address of the Registered office & contact details**	
	Address :	F-0, The Mira Corporate Suites, Plot No.1&2, Ishwar Nagar
	Town / City :	Mathura Road, New Delhi - 110065
	State :	Delhi
	Country Name :	India
	Telephone (with STD Code) :	011-66424600
	Fax Number :	011-66424629
	Email Address :	corpoffice@globusgroup.in
	Website, if any:	www.globusspirits.com
vi	Whether listed company	Yes
vii	**Name and Address of Registrar & Transfer Agents (RTA):-**	
	Name of RTA:	M/s Link Intime India Private Limited
	Address :	44, Community Centre, 2nd Floor, Naraina Industrial Area
	Town / City :	Phase-1, Near PVR Naraina, New Delhi
	State :	Delhi
	Pin Code:	110028
	Telephone :	011-41410592
	Fax Number :	011-41410593
	Email Address :	delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Potable Alcohol (RS/ENA/IMIL/IMFL) (UNDNATRD ETHYL ALCHL WTH<80% ALCHL STRNGTH; SPRTS , LIQRS & OTHR SPRTOUS BVRGS;COMPND ALCHL PRPN FOR MNUFCTRE OF BVRGS)	2208	99.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	M/S Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Limited)	U15122DL2014PLC273878	Subsidiary	90.91%	2 (87)

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

i. Category-wise Share Holding

Category of Shareholders Demat	No. of Shares held at the beginning of the year (01.04.2017)			No. of Shares held at the end of the year (31.03.2018)					% Change during the year
	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoter s									
(1) Indian									
a) Individual/ HUF	3702859	0	3702859	12.86%	3779811	0	3779811	13.12%	2.08%
b) Central Govt	0	0	0	0%	0	0	0	0%	0.00%
c) State Govt(s)	0	0	0	0%	0	0	0	0%	0.00%
d) Bodies Corp.	12669723	0	12669723	43.99%	11832007	0	11832007	41.09%	-6.61%
e) Banks / FI	0	0	0	0%	0	0	0	0%	0.00%
f) Any other	0	0	0	0%	0	0	0	0%	0.00%
Sub-total (A) (1):-	**16372582**	**0**	**16372582**	**56.85%**	**15611818**		**15611818**	**54.21%**	
(2) Foreign									
a) NRI - Individual/	0	0	0	0.00%	0	0	0	0%	0%
b) Other - Individual/	0	0	0	0.00%	0	0	0	0%	0%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0%	0%
d) Banks / FI	0	0	0	0.00%	0	0	0	0%	0%
e) Any Others	0	0	0	0.00%	0	0	0	0%	0%
Sub-total (A) (2):-	**0**	**0**	**0**	0.00%	**0**	**0**	**0**	**0%**	**0%**
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	**16372582**	**0**	**16372582**	**56.85%**	**15611818**	**0**	**15611818**	**54.21%**	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	71898	0	71898	0.25%	36758	0	36758	0.13%	-48.87%
c) Central Govt	0	0	0	0%	0	0	0	0%	0.00%
d) State Govt(s)	0	0	0	0%	0	0	0	0%	0.00%
e) Venture Capital Funds	0	0	0	0%	0	0	0	0%	0.00%
f) Insurance Companies	0	0	0	0%	0	0	0	0%	0.00%
g) FIIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Investors	0	0	0	0%	390591	0	390591	1.35%	100.00%
i) Others (specify)	0	0	0	0%	0	0	0	0%	0.00%
Sub-total (B)(1):-	**71898**	**0**	**71898**	**0.25%**	**427349**	**0**	**427349**	**1.48%**	
2. Central / State Govt. (B-2)	**0**	**0**	**0**	**0%**	**731**	**0**	**731**	**0.00%**	**100.00%**
3. Non-Institutions									
a) Bodies Corp.	1033054	0	1033054	3.59%	1112934	0	1112934	3.86%	7.73%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	4714655	1321	4715976	16.37%	3399743	1971	3401714	11.81%	-27.87%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	795096	0	795096	2.76%	2323653	0	2323653	8.07%	192.25%
c) Others (specify)									
Clearing Member	264750	0	264750	0.92%	200273	0	200273	0.69%	-24.35%
NRI (Repat)	245257	0	245257	0.85%	192950	0	192950	0.67%	-21.33%
NRI (Non-Repat)	57034	0	57034	0.20%	40196	0	40196	0.14%	-29.52%
Foreign Companies	5038168	0	5038168	17.49%	5038168	0	5038168	17.49%	0.00%
Others	205453	0	205453	0.71%	449482	0	449482	1.56%	118.78%
Sub-total (B)(3):-	**12353467**	**1321**	**12354788**	**42.89%**	**12757399**	**1971**	**12759370**	**44.29%**	
Total Public Shareholding (B)=(B)(1)+ (B)(2) + (B)(3)	**12425365**	**1321**	**12426686**	**43.14%**	**13185479**	**1971**	**13187450**	**45.77%**	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00%	0	0	0	0.00%	0%
Grand Total (A+B+C)	**28797947**	**1321**	**28799268**	**100%**	**28797297**	**1971**	**28799268**	**100%**	

ii Shareholding of Promoters & Promoters group

Sl No.	Shareholder's Name No. of Shares	Shareholding at the beginning of the year (01.04.2017)			Share holding at the end of the year (31.03.2018)			% change in share holding during the year
		% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares		
1	Chandbagh Investments Limited	12130869	42.12%	0%	11293153	39.21%	0%	-6.91%
2	Ajay Kumar Swarup	1949218	6.77%	0%	1619820	5.62%	0%	-16.90%
3	Anoop Bishnoi	1619820	5.62%	0%	1619820	5.62%	0%	0.00%
4	Globus Infosys Pvt. Ltd.	538854	1.87%	0%	538854	1.87%	0%	0.00%
5	Jaroda Plantations Pvt. Ltd.	0	0.00%	0%	0	0.00%	0%	0.00%
6	Shekhar Swarup	133461	0.46%	0%	539811	1.88%	0%	304.47%
7	Bhupendra Kumar Bishnoi	90	0.00%	0%	90	0.00%	0%	0.00%
8	Roshni Bishnoi	90	0.00%	0%	90	0.00%	0%	0.00%
9	Madhav Kumar Swarup	60	0.00%	0%	60	0.00%	0%	0.00%
10	Madhavi Swarup	60	0.00%	0%	60	0.00%	0%	0.00%
11	Saroj Rani Swarup	60	0.00%	0%	60	0.00%	0%	0.00%
	TOTAL	**16372582**	**56.85%**	**0%**	**15611818**	**54.21%**	**0%**	

iii Change in Promoters' Shareholding

During the year, the holding of Mr. Ajay Kumar Swarup has been decreased by 329398 shares and the said shares has been gifted to Mr. Shekhar Swarup.

Further during the year, the holding of Mr. Shekhar Swarup has been increased by 406350 shares and out of these, 329398 shares has been gifted from Mr. Ajay K. Swarup and the balance shares has been purchased through open market in various transactions.

Further the holding of M/s Chandbagh Investments Ltd. has been decreased by 837716 shares and the said shares has been sold through open market in various transactions.

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

Sl. No.: 1 For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01/04/2017)		Change in Shareholding during the year		Shareholding at the end of the year (31/03/2018)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
TEMPLETON STRATEGIC EMERGING MARKETS FUND IV LDC	5038168	17.49%	0	0.00%	5038168	17.49%
VIKRAM PRATAPBHAI KOTAK	0	0.00%	450000	1.56%	450000	1.56%
RESONANCE OPPORTUNITIES FUND	0	0.00%	349991	1.22%	349991	1.22%
HEMANT PRATAPBHAI KOTAK	0	0.00%	283000	0.98%	283000	0.98%
PARVESH GANDOTRA	0	0.00%	280000	0.97%	280000	0.97%
SRIKANTH DHULIPALA .	0	0.00%	266844	0.93%	266844	0.93%
NITIKET INVESTMENTS PVT LTD	0	0.00%	200000	0.69%	200000	0.69%
BODEPUDI JEEVAN KISHORE	0	0.00%	190000	0.66%	190000	0.66%
SHREE BALLABH BHAIYA	65000	0.23%	62000	0.22%	127000	0.44%
BRIJWASI SECURITIES PRIVATE LIMITED	0	0.00%	100000	0.35%	100000	0.35%
PRADIP NAVNITLAL MUCHHALA	97863	0.34%	-7752	-0.03%	90111	0.31%

The above details are given as on 31 March, 2018. The Company is listed and 99.99% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders is due to market operations. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

v Shareholding of Directors and Key Managerial Personnel:

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

V INDEBTEDNESS

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

(Amount in Lacs)

Indebtedness at the beginning of the financial year (01.04.2017)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	27,193.40	0	0	27193.4
ii) Interest due but not paid	0	0	0	0
Total (i+ii+iii)	**27193.4**	**0**	**0**	**27193.4**
Change in Indebtedness during the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
* Addition	(2,042.34)	0	0	-2042.34
* Reduction	0	0	0	0
Net Change	**(2,042.34)**	**-**	**-**	**(2,042.34)**
Indebtedness at the end of the financial year (31.03.2018)	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
i) Principal Amount	25,151.06	0	0	25151.06
ii) Interest due but not paid	0	0	0	0
Total (i+ii+iii)	**25,151.06**	**-**	**-**	**25,151.06**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Sh. Ajay Kumar Swarup	Sh. Shekhar Swarup	Sh. Manik Lal Dutta	Dr. Bhaskar Roy	Sh. Vijay K. Rekhi	Total Amount (in Lacs)
1	Gross salary	Managing Director	Executive Director	Executive Director	Executive Director & COO	Executive Director	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	109.08	66.71	36.33	58.53	84.00	245.57
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-
	- others, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total (A)	109.08	66.71	36.33	58.53	84.00	245.57

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	**Sh. Santosh Kumar Bishwal**	**Sh. Joginder Singh Dhamija**	**Sh. Vivek Gupta**	**Sh. Kunal Agarwal**	**(Rs. in lacs)**
	Fee for attending board committee meetings	1.40	2.00	0.40	0.60	4.40
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	1.40	2.00	0.40	0.60	4.40
2	**Other Non-Executive Directors**	**Ms. Ruchika Bansal**				
	Fee for attending board committee meetings	0.40				0.40
	Commission					
	Others, please specify					
	Total (2)	0.40				0.40
	Total (B)=(1+2)	**1.80**	**2.00**	**0.40**	**0.60**	**4.80**
	Total Managerial Remuneration					

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

Sl. no.	Particulars of Remuneration Company Secretary	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	13.47	43.73	57.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	13.47	43.73	57.20

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Secretarial Audit Report

For the financial year ended 31 March, 2018

[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, 2018, 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, 2018 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, 1992 and/or 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, 2009;

(d) The Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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 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; merger, amalgamation or 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)
No. : FCS 6136
C.P. No. : 6575

Place : Vaishali
Date : 10.08.2018

Annexure-A to the Secretarial Audit 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)
No. : FCS 6136
C.P. No. : 6575

Place : Vaishali
Date : 10.08.2018

FORM-AOC-1

Statement containing salient features of the financial statement of subsidiaries

Part “A”: Subsidiaries

	Particulars	**Amount (in INR Lakh)**
S.No.	**Name of the Subsidiary**	**M/s Unibev Limited (formerly known as Uber Blenders & Distillers Limited)**
1	Reporting Period	1st April 2017 - 31st March, 2018
2	Reporting Currency	Amount (in INR- lakhs)
3	Share Capital	140.66
4	Reserves & Surplus	(245.63)
5	Total Assets	162.08
6	Total Liabilities	162.08
7	Investments	-
8	Turnover	16.26
9	Profit/(Loss) before taxation	(137.77)
10	Provision for taxation	-
11	Profit/(Loss) after taxation	(137.78)
12	Proposed Dividend	-
13	% of shareholding	90.91%

M/s Unibev Limited (formerly M/s Uber Blenders & Distillers Limited) has commenced the commercial operations during the FY 2017-18.

Part “B”: Associates and Joint Ventures

There is no Associates and Joints Ventures of the company

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Shekhar Swarup
Joint Managing Director
DIN-00769308

Ajay Goyal
Chief Financial Officer

Bhaskar Roy
Executive Director
DIN-02805627

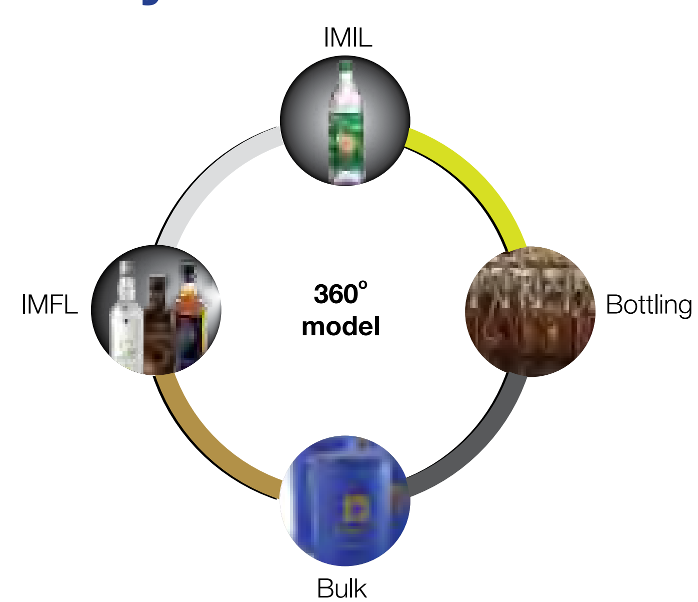
Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Place : New Delhi
Date : Aug 10, 2018

Management Discussion & Analysis

The global economy experienced a resurgence in the year 2017 with growth accelerating in most countries. Boosted by a recovery in investment, global trade growth rebounded. Unemployment declined in most countries and commodity prices rose driven by rising demand.

In India, however, growth declined second year in a row as structural reforms continued to take centrestage. While these reforms will certainly strengthen India’s economy in the long run, the immediate impact was more disruptionary in nature. On the bright side, growth recovered in fourth quarter indicating that the economy is back on track and set for acceleration in growth.



Growth in the consumption sector is on an uptick driven by bouyancy in rural spending led by government's focus on rural infrastructure creation and increased allocation to rural schemes combined with surge in non-farm employment.

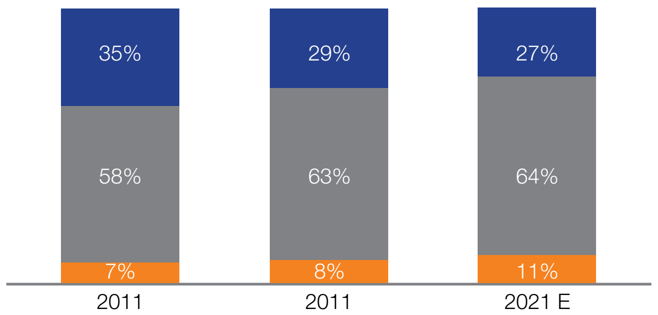
Indian Spirits Industry

The year 2017-18 started off as another tumultuous year for the liquor sector – still reeling under the impact of highway ban, the rollout of GST had an inflationary impact on input costs. Frequent and arbitrary policy changes hampered industry growth – uncertainties continue to prevail with changes expected in route to market in few states and with elections in a few others.

Despite this backdrop, favourable demographic trends and structural positives in the Indian economy hold promise for the liquor consumption story in India in the medium to long term.

Amongst a multitude of demographic and socio-economic factors driving growth, India's young demographic profile and low level of alcohol penetration are key growth drivers for the sector. In 2020, India will have one of the youngest populations in the world with average age at 29, compared to 37 in China, 45 in Western Europe and 48 in Japan.

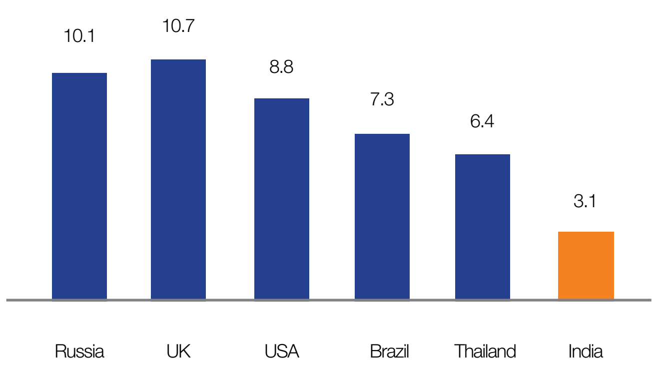
Increasing drinking age population



Source: State of Urban Youth 2012, Office of Registrar General 2006

India remains one of the most under-penetrated markets, indicating ample scope to grow further.

Per capita (15+ years) alcohol consumption In Bulk litre (2014)



Source: WHO; Estimate for India

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

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

On the basis of reported volumes, share of IMIL and IMFL in the spirits industry is 43% and 57% respectively.

Table1: Differences between IMIL and IMFL

	IMIL	IMFL
Likely Consumer Segment differs in size and status	Socio-economic D, comprising~40% of population excluding below poverty line population	More affluent, socioeconomic sections C and upwards
Growth is more in sync with population growth	~11% CAGR** for households with Household premiumness indes (HPI) * between 6-10 (~SEC D)	Higher growth in IMFL with increasing affluence in India: e.g. ~14%+ CAGR for households with HPI >10 (SEC C+)
Taste Preference	Local fruit flavor dominated market, varies with states	North India - Whisky, East India - Rum, South India - Brandy & Rum
Point of Purchase	State Government Regulated vends; Banned in Southern India, apart from dry states	Standalone retail outlets, department stores and Government owned shops in some states like Delhi
Excise Control	Highly regulated: Distillery must for selling in the state of sale Excise of Rs15 per Proof Litre	Less restricted than IMIL, but higher excise duties of minimum of Rs40 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 30-40 per nip (smallest size)	Starts from Rs 80 per nip (economy brands)
Brand Loyalty	Low with high distributor power and price sensitive consumer; now changing in line with increasing brand consciousness	High with multiplicity of purchase options and more affluent consumer

IMIL Industry

The IMIL industry in 2016-17 was estimated to be ~240mn cases with growth varying significantly across states driven by both demographics and the political and regulatory environment. Rajasthan is certainly one of the fastest growing states in the country, having grown at an average rate of ~11% in the last three years. On the other hand, your Company's other major market Haryana, has been showing a declining trend, having de-grown at average rate of 3% in last three years. With over 330 mn cases, West Bengal is one of the largest markets in the country and growing at healthy double digit levels.

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

The growth in this segment is expected to be driven by growing consumer base, rising rural incomes and consumption, conversion from illicit/ toddy to IMIL with increasing awareness about health and quality, conducive regulatory policies and aided by growth in population.

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

IMFL Industry

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

Nonetheless, the market at present is still dominated by strong national brands at low price points.

The 300+ million cases market is undergoing a transformation with newer entrants, challenging the traditional labels and more so in the higher price points. There are high potential niche opportunities that are emerging in the space.

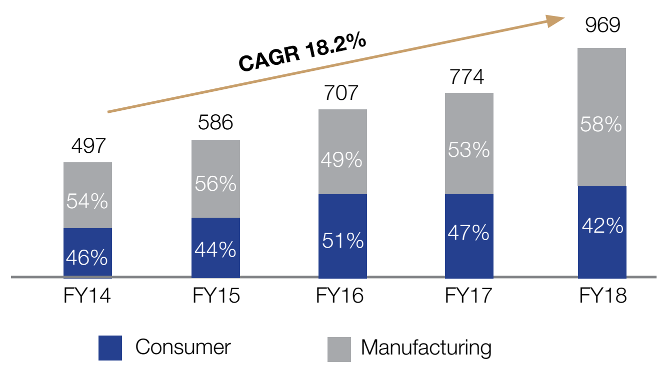
Business Overview

In fiscal year 2017-18, your company posted net revenues from operations of Rs 969.0 crore up from Rs 774.2 crore in the previous year, translating to healthy revenue growth at 25%. EBITDA was at Rs 74.9 crore up from Rs 60.4 crore in fiscal year 2016-17 and net profit after tax was at Rs 7.0 crore down from Rs 16.1 crore. The revenue growth was led by manufacturing vertical which was boosted by full year of operations at West Bengal plant. Profitability was impacted by dip in Haryana IMIL volumes at an operational level and burden of higher debt servicing and depreciation costs of Bihar plant with no corresponding income being generated at a net level. The Bihar plant remained closed through the year pursuant to Bihar Government's notification to discontinue license renewal from FY17-18 onwards.

The manufacturing vertical experienced healthy growth with share in revenues increasing from 53% to 58% to reach Rs 566.6 crore, translating to growth of 36.0%. The consumer business grew by 8.1% to reach Rs 402.5 crore in revenue. Due to relatively lower growth, its share in revenues declined from 47% to 42%.

Net Revenue Breakup

(Revenues in Rs Crore)



Manufacturing Business

The manufacturing business revenue, comprising (a) bulk alcohol manufacturing and (b) franchisee IMFL (third party bottling), grew by 36% to reach ₹ 566.6 crore during FY2017-18.

The bulk alcohol division is the backbone of your company's 360º business model and provides high quality Extra Neutral Alcohol to the other divisions, ensuring a sustainable competitive advantage. During the year, bulk alcohol production was at 11.4 crore litres up from 8.8 crore litres in the previous year and capacity utilization increased from 82% in the previous year to 91% in the year under review. This is attributable to quick scaleup in the new West Bengal plant. ~45% of the production was used for value added products, i.e., consumer business and franchisee bottling, balance remaining thereafter being sold externally.

Bulk alcohol revenues grew by 52% to reach Rs 311.1 crore largely driven by volume growth.

The by-product revenue growth came in only at 11% despite an overall increase of ~30% in production volumes as the market for by-products had to be developed in West Bengal and DDGS, a key value added by-product, recorded lower realizations on account of decline in soya prices, the primary protein source used by animal feed industry. The market prospects for DDGS remain promising and while offtake is not a concern, prices will remain volatile due to linkage to soya which is an agricultural commodity.

Franchisee IMFL volumes saw margial increase a result of slow growth in the IMFL industry. Franchise volumes stood at 33.6 lakh cases up from 33.1 lakhs in the previous year. The IMFL industry is undergoing a transformation wherein lower price point products are witnessing a decline and also the larger IMFL companies like United Spirits are shifting their focus to high value, lower volume, premium products. This has a direct impact on the franchisee business. Your company's relationships with its customers remain strong backed by robust quality management and performance reporting systems which coupled with captive high quality Extra Neutral Alcohol (ENA) gives unmatched value to top IMFL companies.

Your Company has bottling contracts with ABD India in the state of Rajasthan and with United Spirits in the states of Haryana and West Bengal to manufacture their flagship brands.

Consumer Business

The consumer business comprising Indian Made Indian Liquor reported 8% growth in FY2017-18 to reach revenues of Rs 402.5 crore. Rajsathan continued to deliver a stellar performance and West Bengal a relatively new market contributed to the revenues but this was offset by dip Haryana volumes – Rajasthan posted revenue growth of 19% while there was a decline of 37% in Haryana.

In Rajasthan, we continued to acquire market share and moved up from 30% share in the previous year to 32% in the year under review while in Haryana this declined from 13% to 10%.

During the year, we saw good acceptance for our IMIL brand 'Goldee' in West Begnal selling over 5 lakh cases during the year and contributing ~4% to the total IMIL revenues. This is a relatively new market for us and given the strong growth potential in the state, we are very excited about the prospects.

Your company is amongst the largest IMIL players having >5% market share all-India. Through its efforts to reinvent a traditional and commoditized market, it has established itself as a leading player with more than double digit market share in all three states in which it has operated historically – Haryana, Rajasthan and Delhi. With competitive intensity increasing, your Company has decided to focus on building strong brands with unique value proposition for the bottom of the pyramid consumer.

The consolidated IMIL sale stood at 12.9 million cases in FY2017-18.

IMIL Brand Portfolio

Nimboo

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

Narangi

Popular dark spirits' brand

Positioned as refreshing and juicy as Orange

Goldee

1st mixed fruits blend in IMIL Latest launch

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

Heer Ranjha

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

Ghoomer

Tribute to Rajasthani folk dance ;

Blend popular in the harsh winter months of the desert region

Premium IMFL - Unibev

Your Company forayed into premium IMFL business through its subsidiary Unibev Ltd which is led by Mr Vjay Rekhi, former President of United Spirits and a liquor industry veteran.

Unibev Ltd is focusing on providing a unique value proposition to the discerning consumers of premium IMFl and launched its first brand in December 2017 – L'Affaire Napoleon Premium French brandy, created with 3 Year Old matured grape spirit, in Puducherry. The brand has received excellent response from consumers and channel partners. Since then Unibev has launched two whisky brands - Governor's Reserve whisky created with 12 Year Old matured scotch and Oakton Barrel Aged whisky created with 18 Year Old matured scotch.

Unibev operates on an asset lite model with contract manufacturing arrangements. The company aims to disrupt the premium IMFL market with a robust portfolio of differentiated brands with an age claim.

The size of the semi premium whisky segment is 20 million cases, whereas premium whisky is 8.5 million cases and super premium whisky is 1 million cases annually. The segments present a significant opportunity to Unibev growing year on year at a rate of 7% and 9% respectively.

Guided by an exceptional leader and a strong and experienced team, your Company believes this can provided the much needed impetus to creating a strong premium franchise.

Financial Highlights

- Net revenues from operations at Rs 969.0 crore, up by 25% y-o-y
- EBITDA at Rs 74.9 crore with EBITDA margin of 7.7%
- PAT at Rs 7.0 crore, with margin of 0.7%. Impacted by debt servicing and depreciation costs for Bihar plant, which was closed through the year due to Bihar government's policy on non-renewal of licenses

Environmental Compliance

Your Company is a zero waste water 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 brining 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 CO2. 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 center 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, labor 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 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 2018, the employee (excluding casual) count for the company stood at 376 compared to 412 on 31st March 2017.

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, 2018

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

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

- Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from April 01, 2017 to March 31, 2018.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the system by which companies are directed and managed. Good corporate governance structure encourages companies to create value (through entrepreneurism, innovation, development and exploration) and provide accountability and control systems commensurate with the risks involved. Globus Spirits Ltd. believes in ensuring true Corporate Governance Practices to enhance long term shareholders' value through corporate performance, transparency, integrity and accountability.

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) 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).

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). The employees can directly contact on the email address as mentioned in the `Vigil Mechanism Policy' uploaded at the website of the Company.

BOARD OF DIRECTORS

Composition

The Board of Directors of the Company consists of an optimal mix of Executive and Non-Executive & Independent Directors who have in-depth knowledge of business, in addition to expertise in their areas of specialization. The Directors bring in 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 present Board consisted of 11 Directors comprising the Chairman being Non-Executive- Independent Director, one Managing Director, one Joint Managing Director, three Executive cum whole-time Directors, three Independent Directors, one Non-Executive Director and one non-executive-woman director. The Board meets the requirement of not less than one third being independent 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).

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 2017-18, 6 (Six) Board Meetings were held on April 10, 2017, May 19, 2017, June 16, 2017, August 11, 2017, November 10, 2017 and February 14, 2018. 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 Regulation17 of the Listing Regulations. During the year, separate meeting of the Independent Directors was held on November 14, 2017 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, 2018, 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	No. of Shares held as on March 31, 2018	Category of Director	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held$		
			Board Meetings during the Financial Year 2017-18	Last AGM on September 26, 2017	Director-ships	Committee Member-ships	Committee Chairmanships
Sh. Vivek Gupta*	Nil	NE-I	3	Yes	6	1	-
Sh. Ajay K. Swarup	1,619,820	MD-P	4	Yes	7	1	1
Sh. Shekhar Swarup	539,811	E-P	5	No	6	-	-
Sh. Manik Lal Dutta	2,100	E	6	Yes	-	-	-
Dr. Bhaskar Roy	100	E	4	Yes	3	-	-
Sh. Joginder Singh Dhamija	Nil	NE-I-C	6	Yes	-	-	-
Sh. Santosh Kumar Bishwal	Nil	NE-I	3	Yes	1	-	-
Sh. Kunal Agarwal	Nil	NE-I	3	No	-	-	-
Sh. Sunil Chadha*	Nil	NE- I	N.A	N.A	-	-	-
Ms. Ruchika Bansal	Nil	NE -W	3	No	-	-	-
Mr. Richard Piliero	Nil	NE- N	4	No	-	-	-
Mr. Vijay Kumar Rekhi	Nil	E	4	No	1	1	1

C = Chairman, MD = Managing Director, E = Executive, NE= Non-Executive Director, P = Promoter,

I = Independent, N-Nominee Director, W-Woman Director

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

* Mr. Vivek Gupta has resigned from the Board of Directors of the Company w.e.f. 21st May 2018. Mr. Sunil Chadha has been inducted in the Board of Directors of the Company w.e.f. 21st May 2018. Further Mr. Joginder Singh Dhamija has been appointed as Chairman of the Board of Directors of the Company w.e.f. 21st May 2018.

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.

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 25th 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).

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, 2018, 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

August 10, 2018

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 appointment, remuneration and terms of appointment of auditors of the Company;

ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;

iii. examination of the financial statement 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.

COMPOSITION

The Present members in the Audit Committee are as follows:-

Sl. No.	Name of Member	Designation in Committee	Designation in Company
1	Sh. Santosh Kumar Bishwal	Chairman	Independent Director
2	Sh. Joginder Singh Dhamija	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
6	Sh. Vivek Gupta*	Member	Independent Director
7	Sh. Richard Piliero	Member	Non-Executive Nominee Director

* Sh. Vivek Gupta has resigned from the Audit Committee w.e.f. 21st May 2018 and Sh. Sunil Chadha have been inducted in Audit Committee w.e.f. 21st May, 2018.

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

During the Financial Year 2017-18, 4 (Four) Audit Committee Meetings were held on May 19, 2017, August 11, 2017, November 10, 2017 and February 14, 2018. The attendance of Audit Committee meeting is as follows:

Members	Designation	No. of Meetings attended
Sh. Santosh Kumar Bishwal	Chairman	3
Sh. Joginder Singh Dhamija	Member	4
Sh. Richard Piliero	Member	3
Sh. Kunal Agarwal	Member	3
Sh. Shekhar Swarup	Member	4
Sh. Vivek Gupta	Member	1

4. **NOMINATION AND REMUNERATION COMMITTEE**

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

a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

b) The Committee shall formulate criteria for determining qualifications, positive attributes and independence of a director;

c) Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and while formulating such policy, the committee shall ensure that:

i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

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

iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

d) Formulate criteria for evaluation of Independent Directors and the Board;

e) Devise a policy on Board diversity;

f) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

g) To fix the Salary and Perquisites of Executives of the Company;

h) To 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;

i) To consider the profits of the Company and to decide about the adequacy of profits of the Company;

j) 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;

k) To approve the remuneration payable to the managerial personnel of the Company in case of inadequacy of the profits; and

l) To take all other consequential and incidental action and measure.

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. Joginder Singh Dhamija	Chairman	Independent Director
2	Sh. Santosh Kumar Bishwal	Member	Independent Director
3	Sh. Richard Piliero	Member	Non-Executive Nominee 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 not to exceed limits prescribed under the Companies Act, 2013.

- Revision from time to time depending upon performance of the Company, individual Director's performance and prevailing Industry norms.

- No sitting fees.

b) Payment Terms for Non-Executive Directors

- Sitting fees not to 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 2017-18, 3 (Three) Remuneration Committee Meetings were held on April 10, 2017, May 19, 2017 and August 11, 2017. The attendance of Remuneration Committee meeting is as follows:

Members	Designation	No. of Meetings attended
Sh. Joginder Singh Dhamija	Chairman	3
Sh. Santosh Kumar Bishwal	Member	2
Sh. Richard Piliero	Member	2

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, 2018 are as under:

S. No.	Name	Designation	Fixed Salaries and Allowance (Rs.)	Variable Portion (Rs.)	Others (including Arrears) (Rs.)	Commission & Other Benefits(Rs.)	Total (Rs.)
1.	Sh. Ajay K. Swarup	Managing Director	82,39,992	7,92,000	18,76,000	Nil	1,09,07,992
2.	Sh. Manik Lal Dutta	Executive Director	31,70,986	1,59,667	3,02,581	Nil	36,33,234
3.	Sh. Shekhar Swarup	Joint Managing Director	56,77,600	6,93,750	3,00,000	Nil	66,71,350
4.	Dr. Bhaskar Roy	Executive Director	41,99,040	4,72,392	11,81,952	Nil	58,53,384
5.	Vijay Kumar Rekhi	Executive Director	69,00,000	Nil	15,00,000	Nil	84,00,000

The tenure of the appointment of Sh. Ajay K. Swarup, Managing Director has been for a period of 5 years w.e.f. December 01, 2016. Sh. Vijay Kumar Rekhi and Dr. Bhaskar Roy who retires by rotation and, being eligible, offers themselves for re-appointment. The Company does not have any stock option scheme.

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 2017-18 are as under:

Name of the Non-Executive &Independent Director	Sitting Fees (Rs.)
Sh. Joginder Singh Dhamija	2,00,000
Sh. Santosh Kumar Bishwal	1,40,000
Sh. Vivek Gupta	40,000
Sh. Kunal Agarwal	60,000
Ms. Ruchika Bansal	40,000

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended March 31, 2018 except getting sitting fees for the meeting attended by them.

5. **STAKEHOLDERS RELATIONSHIP COMMITTEE**

COMPOSITION

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

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

COMPLIANCE OFFICER

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

DETAILS OF SHAREHOLDERS'/INVESTORS' COMPLAINTS RECEIVED AND ATTENDED

Number of Shareholders' / Investors' Complaints received during the period April 01, 2017 to March 31, 2018	68
Number of Complaints attended/resolved	68
Number of Complaints not resolved to the satisfaction of shareholders	Nil
Number of pending complaints as on March 31, 2018	Nil

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

COMPOSITION

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

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

Terms of reference of the CSR Committee are:

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

The Company has adopted a policy on Corporate Social Responsibility as required under section 135 of The Companies Act, 2013 which is also available at the website of the Company (www.globusspirits.com). During the year, two CSR Committee meetings was held on November 10, 2017 and on February 14, 2018.

7. RISK MANAGEMENT COMMITTEE:

COMPOSITION

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

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

Terms of reference of the Risk Management Committee are:

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

8. SUBSIDIARY COMPANY:

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

9. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings:

Date of Meeting	Location of the Meeting	Time	Whether any Special Resolution Passed in previous three AGM
26.09.2017	Auditorium of IETE, 2, Institutional Area, Lodhi Road, New Delhi-110003	11:00 A.M.	Yes
26.09.2016		11:30 A.M.	Yes
25.09.2015		11:00 A.M.	No

Details of Special Resolutions passed through Postal Ballots during the financial year 2016-17:

1) To increase in the remuneration of Sh. Shekhar Swarup, Executive Director of the Company under provisions of Section(s) 196, 197, 203 read with Schedule V of the Companies Act, 2013. The said postal ballot resolution was carried out by the scrutinizer, Sh. Sundeep K. Parashar and the voting details are as follows:-

No. of valid votes casted (through E-voting and postal ballot forms): 19,343,831
Total votes casted in favor of resolution: 19,331,881 (99.94%)
Total votes casted against the resolution: 11,950 (0.06%)

2) To increase in the remuneration of Sh. Ajay Kumar Swarup, Managing Director of the Company under provisions of Section(s) 196, 197, 203 read with Schedule V of the Companies Act, 2013. The said postal ballot resolution was carried out by the scrutinizer, Sh. Sundeep K. Parashar and the voting details are as follows:-

No. of valid votes casted (through E-voting and postal ballot forms): 19,343,831

Total votes casted in favor of resolution: 19,331,881 (99.94%)
Total votes casted against the resolution: 11,950(0.06%)

10. DISCLOSURES

i) Related Party Transactions

There have been related party transactions as reflected in Note 44 to the financial statements but they 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).

ii) Details on Non-Compliance

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

iii) Vigil Mechanism / Whistle Blower Policy

The Company has a Vigil Mechanism / Whistle Blower Policy as required under the Companies Act, 2013. The 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 Mr. Ajay Kumar Goyal 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, 2018.

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).

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 Business Standard 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).

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

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

11. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

	Date & Time	:	Tuesday, 25th September 2018 at 11.15A.M.
	Venue	:	Auditorium of IETE, 2, Institutional Area, Lodhi Road, New Delhi - 110003
b)	Financial Year	:	April 01, 2017 to March 31, 2018
c)	Book Closure	:	September 19, 2018 to September 25, 2018 (both days inclusive)
d)	Dividend	:	No dividend is proposed for the Financial Year 2017-18.

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

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

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

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

f) Stock Code:

BSE		533104
NSE		GLOBUSSPR
NSDL/ CDSL – ISIN		INE615I01010

g) Stock Market Price Data for the year 2017-18

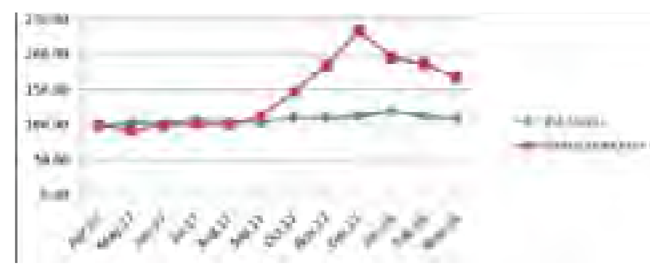
Month	BSE Price (Rs.)		NSE Price (Rs.)	
	High	Low	High	Low
April, 2017	75.75	63.00	75.85	64.50
May, 2017	72.95	62.05	72.90	62.10
June, 2017	77.00	63.60	77.40	63.50
July, 2017	80.00	68.10	80.00	68.70
August, 2017	74.50	63.90	74.50	63.70
September, 2017	84.00	70.75	84.20	70.25
October, 2017	107.25	78.00	107.20	77.60
November, 2017	144.50	97.00	144.70	97.20
December, 2017	168.90	120.20	169.80	120.05
January, 2018	178.05	134.00	178.00	133.00
February, 2018	149.90	119.70	149.25	119.90
March, 2018	135.30	113.10	135.00	113.90

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

The Company had paid Annual Listing Fees for the Financial Year 2017-18.

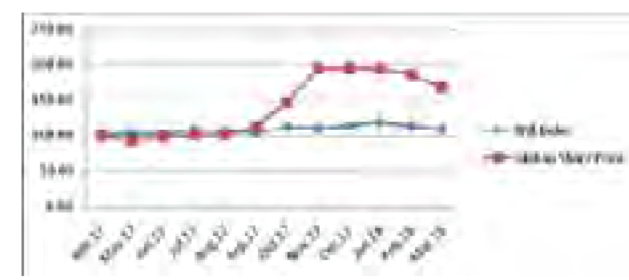
Performance in comparison with Indices (BSE/NSE)
Base is 100 as at March 31, 2017

BSE



(Source: www.bseindia.com)

NSE



(Source: www.nseindia.com)

Distribution of Equity shareholding as on March 31, 2018

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Share holding
Up to 500	10,819	81.7169	1,270,838	4.4127
501 to 1000	771	6.2510	632,027	2.1946
1001 to 2000	328	2.6593	509,548	1.7693
2001 to 3000	133	1.0783	342,874	1.1906
3001 to 4000	55	0.4459	198,477	0.6892
4001 to 5000	61	0.4946	293,737	1.0199
5001 to 10000	75	0.6081	584,078	2.0281
10001 & above	92	0.7459	24,967,689	86.6956
GRAND TOTAL	12,334	100.00	28,799,268	100.00

Shareholding Pattern as on March 31, 2018:

Category		No. Of Share Held	% Of Holding
	Equity:		
	A. Promoter & Promoter Group		
	1. India	1,56,11,818	54.21
	2. Foreign	-	-
	Total (A)	**1,56,11,818**	**54.21**
	B. Public		
	1. Institutions	4,27,349	1.48
	2. Non-Institutions	1,27,60,101	44.31
	Total (B)	**13,187,450**	**45.79**
Grand Total (A+B)		**28,799,268**	**100**

Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on March 31, 2018, 99.993% (28,797,297 shares out of total 28,799,268 equity shares) shares were held in dematerialized form.

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.

Commodity price risk or foreign exchange risk and hedging activities

During the year 2017-18, 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. 40 of the 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

Registrar and Share Transfer Agents (STA):

Link Intime India Pvt. Ltd.
44, Community center, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi-110028

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.

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

Rule 11 of the Companies (Accounts) Rules, 2014, 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 10 August 2018 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 September 28, 2017.
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, 2018, 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 during the year ended March 31, 2018.
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)

Vijay Agarwal
Partner
(Membership No. 094468)

Gurgaon, August 10, 2018

CEO and CFO Certification

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

A. We have reviewed financial statements for the period ending 31st March 2018 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting. (No Instance of any kind of fraud has been detected)

Place : New Delhi	(Ajay Goyal)	(Ajay K. Swarup)
Date : 21/05/2018	CFO	Managing Director

Independent Auditor's Report
Report on the Consolidated Financial Statements

To The Members of Globus Spirits Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Globus Spirits Limited (hereinafter referred to as "the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and thereasonableness of the accounting estimates made by the Parent's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of his report referred to in sub-paragraph (a) of the Other Matters paragraph below,is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to usand based on the consideration of report of the other auditor on separate financial statements of the subsidiary referred to in the Other Matters paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and, give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit,consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2 of the consolidated Ind AS financial statements, which describes the status of operations upon grant of permission for manufacture and sale of Extra Neutral Alcohol (ENA) under the Bihar Prohibition and Excise Act, 2016, in respect of one of the manufacturing plant located in Bihar. Our opinion is not modified in respect of this matter.

Other Matters

(a) We did not audit the financial statements of Unibev Limited, the subsidiary, whose financial statements reflect total assets of ₹ 162.08 lacs as at March 31, 2018, total revenues of ₹ 16.26 lacs and net cash inflows/ (outflows) amounting to ₹ 3.11 Lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditor whose report hasbeen furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary,is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

(b) The comparative financial statements for the year ended March 31, 2017 in respect of the above subsidiary and the related transition date opening balance sheet as at April 01, 2016 prepared in accordance with the Ind AS and included in these consolidated Ind AS financial statements have been audited by other auditor, whose report has been furnished to us by the Management and in so far as it relates to the comparative amounts and disclosures included in respect of this subsidiary made in these consolidated Ind AS financial statements, is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements of subsidiary company incorporated in India, referred in the Other Matters paragraph above, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion,proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those booksand the report of the other auditor.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion,the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on March 31, 2018 taken on record by the Board of Directors of the Parent and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companiesincorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reportingand the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Parent andsubsidiary company incorporated in India.Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for the reasons stated therein.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and therewere no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary company incorporated in India.

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

Vijay Agarwal
(Partner)
(Membership No. 094468)

Washington, D.C., May 21, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Globus Spirits Limited (hereinafter referred to as "Parent") and its subsidiary company, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)(the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which are companies incorporated in India, in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matter paragraph below, the Parentand its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based onthe criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Unibev Limited, the subsidiary company, which is company incorporated in India, is based solely on the report of the other auditor.

Our opinion is not modified in respect of the above matter.

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

Vijay Agarwal
(Partner)
(Membership No. 094468)

Washington, D.C., May 21, 2018

Consolidated Balance Sheet
as at March 31, 2018

(₹ in Lacs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
1 Non - current assets				
(a) Property, plant and equipment	2	60,855.93	63,173.95	40,964.34
(b) Capital work-in-progress	3	12.83	13.89	13,134.82
(c) Intangible assets under development	4	34.13	20.82	-
(d) Financial assets				
(i) Investments	5	-	-	3.22
(ii) Loans	6 (a)	625.36	566.38	503.25
(iii) Others financial assets	7 (a)	1,242.14	2,046.42	2,004.71
(e) Income tax assets (net)	8	319.15	300.40	182.37
(f) Other non current assets	9 (a)	1,536.23	1,373.40	5,182.68
Total non-current assets		**64,625.77**	**67,495.26**	**61,975.39**
2 Current assets				
(a) Inventories	10	7,301.69	6,783.07	4,141.35
(b) Financial assets				
(i) Other investments	11	-	-	7.70
(ii) Trade receivables	12	4,835.13	3,528.85	3,775.09
(iii) Cash and cash equivalents	13 (a)	171.79	234.90	735.18
(iv) Bank balances other than (iii) above	13 (b)	72.34	1.75	1.75
(v) Loans	6 (b)	122.45	101.09	185.51
(vi) Others financial assets	7 (b)	101.23	137.82	137.61
(c) Other current assets	9 (b)	883.62	1,120.75	797.30
Total current assets		**13,488.25**	**11,908.23**	**9,781.49**
TOTAL ASSETS		**78,114.02**	**79,403.49**	**71,756.88**
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	14	2,879.93	2,879.93	2,879.93
(b) Other equity		34,466.53	33,875.28	32,454.09
Equity attributable to owners of the Company		**37,346.46**	**36,755.21**	**35,334.02**
Non-controlling interest		(9.54)	-	-
Total equity		**37,336.92**	**36,755.21**	**35,334.02**
2 Liabilities				
Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	14,348.66	17,504.12	15,924.95
(b) Provisions	17 (a)	169.75	142.33	109.53
(c) Deferred tax liabilities (net)	18	2,587.02	2,387.79	2,526.59
(d) Other non current liabilities	19 (a)	271.42	217.84	48.00
Total non-current liabilities		**17,376.85**	**20,252.08**	**18,609.07**
3 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	7,857.05	7,400.05	7,046.26
(ii) Trade payables	21	9,647.65	10,344.70	7,253.42
(iii) Other financial liabilities	16	3,787.37	3,551.87	2,964.40
(b) Other current liabilities	19 (b)	1,959.74	974.91	303.60
(c) Provisions	17 (b)	148.44	124.67	172.00
(d) Current tax liabilities (net)	22	-	-	74.11
Total current liabilities		**23,400.25**	**22,396.20**	**17,813.79**
Total liabilities		**40,777.10**	**42,648.28**	**36,422.87**
TOTAL EQUITY AND LIABILITIES		**78,114.02**	**79,403.49**	**71,756.88**

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

Place : Gurugram
Date : May 21, 2018

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Bhaskar Roy
Executive Director
DIN-02805627

Shekhar Swarup
Joint Managing Director
DIN-00445241

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Ajay Goyal
Chief Financial Officer

Place : New Delhi
Date : May 21, 2018

Consolidated Statement of Profit and Loss
for the year ended March 31, 2018

(₹ in Lacs)

	Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I	Revenue from operations	23	163,124.05	110,820.71
II	Other income	24	540.71	450.53
III	**Total income (I + II)**		**163,664.76**	**111,271.24**
IV	**Expenses:**			
	(a) Cost of materials consumed	25	56,702.09	47,799.12
	(b) Changes in inventories of finished goods and work in progress	26	(268.51)	(1,026.06)
	(c) Excise duty on sale of goods		66,206.19	33,396.24
	(d) Employee benefits expense	27	2,293.74	1,773.56
	(e) Finance costs	28	2,713.61	1,752.22
	(f) Depreciation expense	29	3,619.83	2,687.40
	(g) Other expenses	30	31,381.10	23,457.94
	Total expenses (IV)		**162,648.05**	**109,840.42**
V	**Profit before tax (III - IV)**		1,016.71	1,430.82
VI	**Tax expense:**			
	(a) Current tax	31 (a)	255.03	121.51
	(b) Deferred tax	31 (b)	196.98	(138.20)
			452.01	**(16.69)**
VII	**Profit for the year (V - VI)**		**564.70**	**1,447.51**
VIII	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities / (asset)	31 (c)(i)	6.49	(1.72)
	Tax adjustment	31 (c)(i)	(2.25)	0.60
	Other comprehensive income		**4.24**	**(1.12)**
IX	**Total comprehensive income for the year (VII + VIII)**		**568.94**	**1,446.39**
	Profit for the year attributable to:			
	-Owners of the Company		577.23	1,447.51
	-non-controlling interest		(12.53)	-
			564.70	**1,447.51**
	Other comprehensive income for the year attributable to:			
	-Owners of the Company		4.24	(1.12)
	-non-controlling interest		-	-
			4.24	**(1.12)**
	Total comprehensive income for the year attributable to:			
	-Owners of the Company		581.47	1,446.39
	-non-controlling interest		(12.53)	-
			568.94	**1,446.39**
X	**Earnings per share (of Rs. 10 each):**			
	Basic (in Rs.)		1.98	5.02
	Diluted (in Rs.)		1.98	5.02

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

Place : Gurugram
Date : May 21, 2018

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Bhaskar Roy
Executive Director
DIN-02805627

Shekhar Swarup
Joint Managing Director
DIN-00445241

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Ajay Goyal
Chief Financial Officer

Place : New Delhi
Date : May 21, 2018

Consolidated Statement of Cash Flows
for the year ended March 31, 2018

(₹ in Lacs)

	For the year ended March 31, 2018		For the year ended March 31, 2017	
A. Cash flow from operating activities				
Profit before tax		**1,016.71**		**1,430.82**
Adjustments for :				
Impairment of property, plant and equipment	3,619.83		2,687.40	
Amortisation of non current assets	10.72		10.72	
Loss on disposal of property, plant and equipments	11.88		5.61	
Finance cost recognised in profit or loss	2,713.61		1,752.22	
Interest income recognised in profit or loss	(145.38)		(242.86)	
Other non operating income	-		(0.21)	
Net foreign exchange (gain) / loss	(0.02)		2.82	
Liabilities / provisions no longer required written back	(314.66)		(108.80)	
Impairment loss recognised on trade receivables	117.31		226.46	
		6,013.29		**4,333.36**
Operating profit before working capital changes		**7,030.00**		**5,764.18**
Movement in working capital:				
Increase/(decrease) in inventories	(518.62)		(2,641.72)	
Increase/(decrease) in trade receivables	(1,391.23)		30.51	
Increase/(decrease) in other assets	(437.91)		(181.19)	
Increase/(decrease) in trade payables	(382.40)		3,200.08	
Increase/(Decrease) in other liabilities	1,033.64		818.14	
Increase/(decrease) in current provisions	57.68		(16.25)	
		(1,638.83)		**1,209.57**
Cash generated from operations		**5,391.17**		**6,973.75**
Income taxes paid		(273.78)		(313.65)
Net cash generated by operating activities (A)		**5,117.39**		**6,660.10**
B. Cash flow from investing activities				
Payment for Property, plant and equipment	(2,186.64)		(7,454.52)	
Proceeds from disposal of property, plant and equipments	303.91		41.48	
Proceeds on sale of financial assets	-		12.61	
Interest received	184.05		268.62	
Dividend received	-		0.21	
Movement in bank balances not considered as cash and cash equivalents	733.69		(41.71)	
Net cash (used in)/generated by investing activities (B)		**(964.99)**		**(7,173.31)**
C. Cash flow from financing activities				
Proceeds from borrowings	(1,571.83)		1,896.03	
Interest and other borrowing cost paid	(2,643.68)		(1,883.10)	
Net cash flow from / (used in) financing activities (C)		**(4,215.51)**		**12.93**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(63.11)**		**(500.28)**
Cash and cash equivalents at the beginning of the year		234.90		735.18
Cash and cash equivalents at the end of the year		**171.79**		**234.90**

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

Place : Gurugram
Date : May 21, 2018

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Bhaskar Roy
Executive Director
DIN-02805627

Shekhar Swarup
Joint Managing Director
DIN-00445241

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Ajay Goyal
Chief Financial Officer

Place : New Delhi
Date : May 21, 2018

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

a. Equity share capital

(₹ in Lacs)

Particulars	Amount
Balance as at April 1, 2016	**2,879.93**
Changes in equity share capital during the year (refer note 14)	-
Balance as at March 31, 2017	**2,879.93**
Changes in equity share capital during the year (refer note 14)	-
Balance as at March 31, 2018	**2,879.93**

b. Other equity

(₹ in Lacs)

Particulars	Other equity					
	Reserves and surplus					
	Securities premium account	General reserve	Surplus in Statement of Profit and Loss	Attributable to owners of the Parent	Non controlling interests	Total
Balance as at April 1, 2016	14,894.92	1,415.65	16,143.52	32,454.09	-	**32,454.09**
1. Profit for the year	-	-	1,447.51	1,447.51	-	**1,447.51**
2. Other comprehensive income for the year, net of income tax	-	-	(1.12)	(1.12)	-	**(1.12)**
3. Effect of changes in group interest of Globus Trade Bay Limited	-	-	(25.20)	(25.20)	-	**(25.20)**
Total comprehensive income for the year	**-**	**-**	**1,421.19**	**1,421.19**	**-**	**1,421.19**
Balance as at March 31, 2017	**14,894.92**	**1,415.65**	**17,564.71**	**33,875.28**	**-**	**33,875.28**
1. Profit for the year	-	-	564.70	577.23	(12.53)	**564.70**
2. Other comprehensive income for the year, net of income tax	-	-	4.24	4.24	-	**4.24**
3. Disposal of partial interest in Unibev Limited		-	12.77	9.78	2.99	**12.77**
Total comprehensive income for the year	**-**	**-**	**581.71**	**591.25**	**(9.54)**	**581.71**
Balance as at March 31, 2018	**14,894.92**	**1,415.65**	**18,146.42**	**34,466.53**	**(9.54)**	**34,456.99**

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

Place : Gurugram
Date : May 21, 2018

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Bhaskar Roy
Executive Director
DIN-02805627

Shekhar Swarup
Joint Managing Director
DIN-00445241

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Ajay Goyal
Chief Financial Officer

Place : New Delhi
Date : May 21, 2018

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Note 1 - General information and Significant Accounting Policies

Note 1.1 - General information

Globus Spirits Limited Group (the Group) is primarily engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Bulk Alcohol and Franchise Bottling.

Note 1.2 - Statement of compliance

These consolidated Ind AS financial statements of the group have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements up to the year ended March 31, 2017 were prepared in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act ('Previous GAAP'). These are group's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer note 46 for an explanation of the transition from previous GAAP to Ind AS and the effect on the group's financial position, financial performance and cash flows.

Note 1.3 Basis of Consolidation

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

Name of the entity	Relationship	Country of incorporation	Shareholding as on March 31, 2018	Shareholding as on March 31, 2017	Shareholding as on April 01, 2016
Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Limited)	Subsidiary	India	90.91%	100%	100%

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

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

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

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

Note 1.4 - Significant Accounting Policies

I Basis of preparation and presentation

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

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, 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.

II Revenue recognition

Sale of goods : Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of returns and allowances, trade discounts and volume rebates. Sales include excise duty but exclude sales tax, value added tax, central goods and service tax, state goods and service tax and integrated goods and service tax. Revenue is reduced for rebates and discounts. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales arrangements.

Income arising from sales by manufacturers under "Tie-up" agreements (Tie-up units) and income from brand franchise are recognised in terms of the respective contracts on sale of the products by the Tie-up units / Franchisees.

Other operating income : Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Income from services :- Revenues from bottling contracts with brand franchise are recognised when services are rendered and related costs are incurred.

Other income : - Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

III Property, plant and equipment

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

All items of property, plant and equipment have been measured at fair value at the date of transition to Ind-AS. The Group have 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.

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. Capitalwork-in-progress

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

IV Intangible assets :

Intangible assets under development

Intangible assets are recognised when the entity controls the assets, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

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

V A. Depreciation / amortisation

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

Estimated useful lives of the assets is as given below :

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

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

B. Impairment

(i) Financial assets

The Group recognizes loss allowance for trade receivables with no significant financing component at an amount equal to lifetime expected credit loss.

(ii) Non - financial assets

Tangible and intangible assets

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

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 (i.e. amortised cost or through other comprehensive income) are subsequently measured at fair value through profit or loss.

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

VIII Inventories

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

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

IX Employee benefits

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

i. The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii. For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

iii. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

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

X Contingent assets/liabilities and provisions

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

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

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

XI Leases

Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the Group's benefit. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Financial lease transactions entered are considered as financial arrangements and the leased assets are capitalised on an amount equal to the present value of future lease payments and corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to leased asset.

XII Earnings per share

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

XIII Income taxes

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

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

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is nolonger 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. Deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

XIV Use of estimates and judgement

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

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

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

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

(ii) Impairment of investments :

The Group has reviewed its carrying value of long term investments in equity of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Deferred tax assets :

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

XV Operating cycle

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

XVI Government grants, subsidies and export incentives

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in profit or loss of the period in which it becomes receivable. Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. 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.

XVII Borrowing costs

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

XVIII Derivative contracts

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

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

XIX Cash and Cash Equivalents

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

XX Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers' (a new revenue standard) and Appendix B to Ind AS 21, 'Foreign Currency Transactions and Advance Consideration'. These amendments are applicable to the Group from April 1, 2018.

Ind AS 115 obliges the Group to book its revenue from customers on the 5 step model. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration Appendix B to Ind AS 21, Foreign currency transactions and advance consideration clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

There is no impact on the Group due to notification of this Appendix.

Note 2 - Property, plant and equipment as at March 31, 2018

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2017	Additions	Disposals / adjustment of assets	As at March 31, 2018	As at March 31, 2017	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
LAND										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	2,907.33	**-**	**-**	**2,907.33**	**-**	**-**	**-**	**-**	**2,907.33**	**2,907.33**
BUILDINGS										
Factory buildings	9,673.47	346.82	100.10	9,920.19	238.73	380.11	-	618.84	9,301.35	9,434.74
	9,673.47	**346.82**	**100.10**	**9,920.19**	**238.73**	**380.11**	**-**	**618.84**	**9,301.35**	**9,434.74**
PLANT AND EQUIPMENT										
Plant and machinery	52,333.26	1,016.07	132.11	53,217.22	2,338.67	3,084.11	17.50	5,405.28	47,811.94	49,994.59
Electrical installations and equipment	290.14	20.76	1.75	309.15	14.45	31.47	-	45.92	263.23	275.69
Computer	30.24	9.05	0.01	39.28	10.27	12.38	-	22.65	16.63	19.97
	52,653.64	**1,045.88**	**133.87**	**53,565.65**	**2,363.39**	**3,127.96**	**17.50**	**5,473.85**	**48,091.80**	**50,290.25**
FURNITURE AND FIXTURES										
Furniture and fixtures	140.69	5.59	-	146.28	18.18	21.49	-	39.67	106.61	122.51
	140.69	**5.59**	**-**	**146.28**	**18.18**	**21.49**	**-**	**39.67**	**106.61**	**122.51**
VEHICLES										
Owned	157.20	-	-	157.20	-	-	-	-	157.20	157.20
Taken under finance lease	260.61	147.67	73.86	334.42	47.08	72.53	12.26	107.35	227.07	213.53
	417.81	**147.67**	**73.86**	**491.62**	**47.08**	**72.53**	**12.26**	**107.35**	**384.27**	**370.73**
OFFICE EQUIPMENT										
Office equipment	59.12	33.92	-	93.04	10.73	17.74	-	28.47	64.57	48.39
	59.12	**33.92**	**-**	**93.04**	**10.73**	**17.74**	**-**	**28.47**	**64.57**	**48.39**
Total	**65,852.06**	**1,579.88**	**307.83**	**67,124.11**	**2,678.11**	**3,619.83**	**29.76**	**6,268.18**	**60,855.93**	**63,173.95**

(i) For lien / charge against property, plant and equipment refer note 15 and 20.

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 3 - Capital work-in-progress	12.83	13.89

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 4 - Intangible assets under development	34.13	20.82

Note:

The Company is planning to recommence the operations at its manufacturing plant located in Bihar in the financial year 2018-2019, in light of the permission granted to the Company by The Prohibition, Excise & Registration Department, Government of Bihar, Patna on May 04, 2018 wherein the Company is allowed to manufacture ENA in accordance with the conditions published in the official Gazette No. 245, 246, 247 and 248 dated March 16, 2018.

The Company's license for production of Extra Neutral Alcohol (ENA) from Grain in respect of one of the manufacturing plant located in Bihar was valid till March 31, 2017. The State Government of Bihar vide Notification No. 11/Adhi, Karya-01-06/2016-235 dated January 24, 2017, inter alia, notified that the existing license of production of ENA from Grain based distilleries, or Bottling Plants shall not be renewed by the State Government from the financial year 2017-18. The Company, aggrieved by the Notification filed a writ petition in the Patna High Court challenging the constitutional validity of certain provisions under Bihar Prohibition and Excise Act, 2016 so far as they relate to prohibition of manufacture and prevention of renewal of license pertaining to ENA. The High Court, while deciding the petition in favour of the Company on May 03, 2017 has, inter alia, set aside the Notification dated January 24, 2017 issued by the State Government so far as it prevents or denies the right of renewal of an existing license for production of ENA from grain based distillers. Based on the decision of the High Court, the Company applied for renewal of license with Prohibition, Excise & Registration Department, Government of Bihar, Patna on May 05, 2017. On May 29, 2017, Bihar excise department filed special leave petition (SLP) before the Supreme Court challenging the said High Court order dated May 03, 2017, which was dismissed by the Hon'ble Supreme court of India vide their order dated January 19, 2018.

Assets at the Bihar manufacturing plant which commenced commercial operations on December 02, 2016 have a net book value of Rs. 12,187.54 lacs, (as on March 31, 2017 Rs. 12,610.38 lacs). In the view of the management no provision is considered necessary to the carrying cost of these assets as at March 31, 2018.

Note 2 - Property, plant and equipment as at March 31, 2017 and April 1, 2016

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	Deemed cost As at April 1, 2016	Additions	Disposals / adjustment of assets	As at March 31, 2017	As at April 1, 2016	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
LAND										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	2,907.33	**-**	**-**	**2,907.33**	**-**	**-**	**-**	**-**	**2,907.33**	**2,907.33**
BUILDINGS										
Factory buildings	4,667.15	5,006.32	-	9,673.47	-	238.73	-	238.73	9,434.74	4,667.15
	4,667.15	**5,006.32**	**-**	**9,673.47**	**-**	**238.73**	**-**	**238.73**	**9,434.74**	**4,667.15**
PLANT AND EQUIPMENT										
Plant and machinery	32,896.29	19,477.60	40.63	52,333.26	-	2,344.25	5.58	2,338.67	49,994.59	32,896.29
Electrical installations and equipment	86.83	203.31	-	290.14	-	14.45	-	14.45	275.69	86.83
Computer	16.32	13.92	-	30.24	-	10.27	-	10.27	19.97	16.32
	32,999.44	**19,694.83**	**40.63**	**52,653.64**	**-**	**2,368.97**	**5.58**	**2,363.39**	**50,290.25**	**32,999.44**
FURNITURE AND FIXTURES										
Furniture and fixtures	86.25	54.44	-	140.69	-	18.18	-	18.18	122.51	86.25
	86.25	**54.44**	**-**	**140.69**	**-**	**18.18**	**-**	**18.18**	**122.51**	**86.25**
VEHICLES										
Owned	-	157.20		157.20	-	-		-	157.20	
Taken under finance lease	279.61	55.99	74.99	260.61	-	50.79	3.71	47.08	213.53	279.61
	279.61	**213.19**	**74.99**	**417.81**	**-**	**50.79**	**3.71**	**47.08**	**370.73**	**279.61**
OFFICE EQUIPMENT										
Office equipment	24.56	34.56	-	59.12	-	10.73	-	10.73	48.39	24.56
	24.56	**34.56**	**-**	**59.12**	**-**	**10.73**	**-**	**10.73**	**48.39**	**24.56**
Total	**40,964.34**	**25,003.34**	**115.62**	**65,852.06**	**-**	**2,687.40**	**9.29**	**2,678.11**	**63,173.95**	**40,964.34**

(i) For lien / charge against property, plant and equipment refer note 15 and 20.

(₹ in Lacs)

Particulars	As at March 31, 2017	As at April 1, 2016
Note 3 - Capital work-in-progress	13.89	13,134.82

(₹ in Lacs)

Particulars	As at March 31, 2017	As at April 1, 2016
Note 4 - Intangible assets under development	20.82	-

Note 5 - Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Qty (in nos)	Amount	Qty (in nos)	Amount	Qty (in nos)	Amount
Investment in equity instruments at FVTPL (Unquoted)						
(i) Bank of India Nil shares (As at March 31, 2017: Nil and as at April 01, 2016: 2,900) of ₹10 each fully paid up	-	-	-	-	2,900	2.87
(ii) Catvision Limited Nil shares (As at March 31, 2017; Nil and As at April 01, 2016: 2,500) of ₹10 each fully paid up	-	-	-	-	2,500	0.35
Total investments in others		**-**		**-**		**3.22**
Total		**-**		**-**		**3.22**
Category wise investments						
Aggregate carrying value of unquoted investments		-		-		3.22
		-		**-**		**3.22**

Note 6 - Loans

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non-current			
Security deposits	625.36	566.38	503.25
	625.36	**566.38**	**503.25**
(a) Current			
Loan to employees	11.04	4.29	3.53
Security deposits	111.41	96.80	181.98
	122.45	**101.09**	**185.51**

Note 7 - Others financial assets

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non Current			
Other bank balances - balance held as margin money against guarantee	1,242.14	2,046.42	2,004.71
Total	**1,242.14**	**2,046.42**	**2,004.71**
(b) Current			
Interest accrued on deposits	101.23	132.17	132.36
<u>Financial assets at Fair value through Profit or loss</u>			
Derivatives designated at fair value - foreign forward contracts	-	5.65	5.25
Total	**101.23**	**137.82**	**137.61**

Margin for bank guarantees and others

Note 8 -Tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Tax Assets			
Advance tax including TDS receivable (net of provision of ₹ 5,001.89 lacs as at March 31, 2018, ₹ 4,749.42 lacs as at March 31, 2017 and ₹ 4,686.28 lacs as at April 01, 2016)	319.15	300.40	182.37
	319.15	**300.40**	**182.37**

Note 9 - Other assets

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non Current			
Capital advances			
Unsecured, considered good	110.19	155.86	3,793.62
Doubtful	1.34	0.56	1.27
	111.53	156.42	3,794.89
Less: Provision for doubtful advances	(1.34)	(0.56)	(1.27)
	110.19	155.86	3,793.62
Advances other than capital advances			
Advances to brand franchisee	150.00	150.00	150.00
Advance towards leasehold land	1,006.48	1,017.20	1,027.94
Balance with government authority*	225.51	3.53	115.43
Prepaid expenses	44.05	46.81	95.69
Total	**1,536.23**	**1,373.40**	**5,182.68**
(b) Current			
Advances to vendors #	176.20	116.51	278.35
Advance towards leasehold land	10.72	10.72	10.72
Balance with government authorities*	57.26	484.02	88.90
Prepaid expenses	639.44	509.50	419.33
Total	**883.62**	**1,120.75**	**797.30**

* includes GST receivable and other receivable
# Net off of provision for doubtful advances ₹ 29.89 lacs (March 31, 2017 of ₹ 68.03 lacs, April 01, 2016 ₹ 28.62 lacs)

Note 10 - Inventories *

(valued at lower of cost and net realisable value)

(₹ in Lacs)

Particulars		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a)	Raw Materials	1,824.17	1,644.03	469.29
	Goods in transit	-	21.50	-
(b)	Finished Goods	4,244.04	3,975.53	2,949.47
(c)	Packing Material	802.10	751.55	356.96
(d)	Fuel, Stores and spares	431.38	390.46	365.63
	Total (net)	**7,301.69**	**6,783.07**	**4,141.35**

Note 11 - Current investments

(₹ in Lacs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Qty (in nos)	Amount	Qty (in nos)	Amount	Qty (in nos)	Amount
Investment in units of Mutual Funds at FVTPL (Unquoted) :						
(i) Reliance Money Manager Fund Nil units (As at March 31, 2017: Nil and As at April 01, 2016: 766.35) NAV of ₹ Nil (As at April 01, 2016: 7.70 lac)	-	-	-	-	766.35	7.70
Total market value of investments	**-**	**-**	**-**	**-**	**766.35**	**7.70**
Category wise investments	-					
Financial assets measured at fair value through profit or loss (FVTPL)	-	-	-	-	766.35	7.70
Total	**-**	**-**	**-**	**-**	**766.35**	**7.70**

* For parri passu charge against Inventories note 15 and 20.

The mode of valuation of inventories has been stated in note 1.4 (IX).

Note 12 - Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Secured, considered good	-	-	-
Unsecured, considered good	4,835.13	3,528.85	3,775.09
Unsecured, considered doubtful	38.33	35.74	-
	4,873.46	3,564.59	3,775.09
Less: Provision for doubtful trade receivables	(38.33)	(35.74)	-
Total	**4,835.13**	**3,528.85**	**3,775.09**

(i) For parri passu charge against trade receivables refer note 15 and 20.

(ii) Of the trade receivable balance as at March 31, 2018 of ₹ 758.66 lacs (March 31, 2017 of ₹ Nil lacs and April 01, 2016 of ₹ Nil lacs) is due from West Bengal State Beverages Corporation Ltd and ₹ 1,332.32 lacs (March 31, 2017 of ₹ 1,730.90 and April 01, 2016 of ₹ 1,308.49 lacs) is due from Rajasthan State Ganga Sugar Mills, the Group's largest customer (see note 43). There are no major customers who represent more than 10% of the total balances of trade receivables.

Age of Receivables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1-30 days past due	3,930.10	2,717.35	2,966.86
31-60 days past due	288.64	300.34	268.91
61-90 days past due	13.99	11.69	11.53
More than 90 days past due	640.73	535.21	527.79

Movement in the expected credit loss allowance	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning of the year	35.74	-
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	2.59	35.74
Balance at the end of the year	**38.33**	**35.74**

Note 13 - Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Cash and cash equivalents			
Cash on hand	0.04	43.45	15.66
Balances with banks			
(i) In current accounts	171.75	184.33	633.96
(ii) Others (debit balance in cash credit accounts)	-	7.12	85.56
Total (a)	**171.79**	**234.90**	**735.18**
(b) Bank balances other than (a) above			
Other bank balances			
Deposits kept as margin money	71.01	-	-
Unpaid dividend account	1.33	1.75	1.75
Total (b)	**72.34**	**1.75**	**1.75**

Note 14 - Equity share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹. In Lacs)
(a) Authorised						
Equity shares of ₹ 10 each with voting rights	3,50,00,000	3,500.00	3,50,00,000	3,500.00	3,50,00,000	3,500.00
Cumulative compulsorily convertible preference shares (CCCPS) of ₹140 each	51,00,000	7,140.00	51,00,000	7,140.00	51,00,000	7,140.00
	4,01,00,000	**10,640.00**	**4,01,00,000**	**10,640.00**	**4,01,00,000**	**10,640.00**
(b) Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each with voting rights	2,87,99,268	2,879.93	2,87,99,268	2,879.93	2,87,99,268	2,879.93
Total	**2,87,99,268**	**2,879.93**	**2,87,99,268**	**2,879.93**	**2,87,99,268**	**2,879.93**

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)	Number of shares	Amount (₹ In Lacs)
Equity shares with voting rights						
Shares outstanding at the beginning of the year	2,87,99,268	2,879.93	2,87,99,268	2,879.93	2,87,99,268	2,879.93
Shares outstanding at the end of the year	**2,87,99,268**	**2,879.93**	**2,87,99,268**	**2,879.93**	**2,87,99,268**	**2,879.93**

(b) Shareholder holding more than 5 percent shares :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Fully paid equity shares with voting rights						
Chandbagh Investments Limited	1,15,93,045	40.25%	1,21,30,869	42.12%	1,21,30,869	42.12%
Templeton Strategic Emerging Markets Fund IV	50,38,168	17.49%	50,38,168	17.49%	50,38,168	17.49%
Mr. Ajay Kumar Swarup	16,19,820	5.62%	19,49,218	6.77%	18,86,561	6.55%
Mr. Anoop Bishnoi	16,19,820	5.62%	16,19,820	5.62%	16,19,820	5.62%

Rights, preferences and restrictions on equity shares:

The Group has only one class of equity shares of ₹ 10 each entitled to one vote per share.

Note 14(ii) - Non-controlling interest

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance at beginning of year	-	-	-
Share of profit/(loss) for the year	(12.53)	-	-
Additional non-controlling interest arising on disposal of interest	2.99	-	-
Total	**(9.54)**	-	-

During the year, the group dispossed off 9.09% of its interest in Unibev Ltd to one of its Director as sweat equity share, reducing its continuing interest to 90.91%.

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

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
(a) Term loans *			
from banks (refer note (i) below)	14,228.21	17,381.24	15,798.24
(b) Long term maturities of finance lease obligations (refer note (ii) below)			
from banks	107.74	99.04	71.35
from other parties (financial institution)	12.71	23.84	55.36
Total	**14,348.66**	**17,504.12**	**15,924.95**

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

Notes :-

(i) Term loan from YES Bank of ₹ Nil (March 31, 2017 ₹ 225 lacs and April 01, 2016 ₹ 450 lacs) is secured by subservient Charge on entire current assets and movable fixed assets of the Group.

Term loan from HDFC Bank of ₹ 1,675 lacs (March 31, 2017 ₹ 2,475 lacs and April 01, 2016 ₹ 2,725 lacs) is secured by first pari passu charge on all movable fixed assets of the Group and equitable mortgage of factory land & building of both the plants at Behror and Samalkha and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited.

Repayment term :- ₹ 625 lacs repayable in 5 quarterly installment of ₹ 125 lacs each

Repayment term :- ₹ 300 lacs repayable in 12 quarterly installment of ₹ 25 lacs each.

Repayment term :- ₹ 562.50 lacs repayable in 15 quarterly installment of ₹ 37.50 lacs each

Repayment term :- ₹ 187.50 lacs repayable in 15 quarterly installment of ₹ 12.50 lacs each.

Term loan from Lakshmi Vilas Bank ₹ 5,746.97 Lacs (March 31, 2017 ₹ 6,975 Lacs and April 01, 2016 ₹ 7,376 Lacs) is secured by first pari passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited..

Repayment term :- ₹ 1,500 lacs repayable in 10 quarterly installment of ₹ 150 lacs each.

Repayment term :- ₹ 750 lacs repayable in 6 quarterly installment of ₹ 125 lacs each.

Repayment term :- ₹ 2,400 lacs repayable in 8 quarterly installment of ₹ 300 lacs each starting from November 2019

Repayment term :- ₹ 1,096.97 lacs repayable in 4 quarterly installment of ₹ 275 lacs each starting from November 2021

Term loan from Axis Bank of ₹ 9,706.23 lacs (March 31, 2017 ₹ 9,956.24 lacs and April 01, 2016 ₹ 7,522.24 lacs) is secured by first pari passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Group and letter of comfort by Chandbagh Investments Limited.

Repayment term :- ₹ 2,750 lacs repayable in 11 quarterly installment of ₹ 250 lacs each.

Repayment term :- ₹ 4,800 lacs repayable in 8 quarterly installment of ₹ 600 lacs each starting from April 2021

Repayment term :- ₹ 1,650 lacs repayable in 3 quarterly installment of ₹ 550 lacs each starting from April 2023

Repayment term :- ₹ 506.23 lacs repayable at once in December 2023.

Above term loans carry interest rate in the range of 10.15% to 11.70% per annum.

(ii) Finance lease obligations from banks of ₹ 107.06 lacs (March 31, 2017 ₹ 99.04 lacs April 01, 2016 ₹ 71.35 lacs) and from financial institution of ₹ 12.41 lacs (March 31, 2017 ₹ 23.84 lacs April 01, 2016 ₹ 55.36 lacs) are secured by hypothecation of respective vehicles.

Repayment term :- Payable on equivalent monthly installments basis, carrying interest rate in the range of 4.33 % to 10.63% per annum.

Note 16 - Other financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Security deposits from customers	164.12	182.49	128.42
Payables towards purchase of fixed assets	558.82	1,051.37	298.65
Current maturities of long-term borrowings	2,900.00	2,250.00	2,275.00
Current maturities of finance lease obligations	45.35	39.23	48.53
Overdrawn book balance	-	0.96	3.59
Interest accrued but not due on borrowings	105.48	27.82	133.13
Other financial liabilities	11.32	-	77.08
Derivatives designated at fair value - foreign forward contracts	2.28	-	-
Total	**3,787.37**	**3,551.87**	**2,964.40**

Note 17 - Provisions

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non-current			
Provision for gratuity (refer note 41)	169.75	142.33	109.53
Total	**169.75**	**142.33**	**109.53**
(b) Current			
Provision for gratuity (refer note 41)	82.31	58.53	61.01
Other provisions	66.14	66.14	110.99
Total	**148.44**	**124.67**	**172.00**

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

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred tax assets	4,067.42	2,932.37	1,920.04
Deferred Tax liabilities	(6,654.44)	(5,320.16)	(4,446.63)
	(2,587.02)	**(2,387.79)**	**(2,526.59)**
Tax effect of items constituting deferred tax assets			
MAT credit entitlement	2,205.75	1,955.99	1,523.98
Provision for employee benefits	98.57	70.90	66.89
Provision for doubtful debts and advances	24.31	35.91	0.44
Deffered tax assets on loss carry forward	1,738.79	860.94	325.70
Others	-	8.63	3.03
	4,067.42	**2,932.37**	**1,920.04**
Tax effect of items constituting deferred tax liability			
Property plant & equipments	6,652.92	5,318.85	4,438.82
Others	1.52	1.31	7.81
	6,654.44	**5,320.16**	**4,446.63**
Deferred tax (liabilities)/ assets (net)	**(2,587.02)**	**(2,387.79)**	**(2,526.59)**

Note 19 - Other liablities

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non current			
Subsidy received from ministry of new and renewable energy	98.40	36.00	48.00
Import duty grants	173.02	181.84	-
Total	**271.42**	**217.84**	**48.00**
(b) Current			
Advances from customers	254.57	133.72	45.43
Subsidy received from ministry of new and renewable energy	15.20	12.00	12.00
Statutory liabilities	686.47	193.09	215.32
Other liabilities	1,003.50	636.10	30.85
Total	**1,959.74**	**974.91**	**303.60**

Note 20 - Current financial liabilities - Borrowings (at amortised cost)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured borrowings			
Indian currency cash credit*	7,249.30	7,400.05	7,046.26
Overdraft	607.75	-	-
Total	**7,857.05**	**7,400.05**	**7,046.26**

* Working capital demand loan including cash credit of ₹ 7,249.30 lacs (March 31, 2017 ₹ 7,400.05 lacs and April 01, 2016 ₹ 7,046.26 lacs) are from following banks:-

Cash credit from HDFC Bank of ₹ Nil (March 31, 2017 ₹ Nil and April 01, 2016 ₹ 56.01 lacs) is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debt and second pari passu charge by way of extension of charge on all the fixed assets of the Group including equitable mortgage of factory land & building at Behror and Samalkha and corporate guarantee of M/s Chandbagh Investments Limited

Cash credit from Axis Bank of ₹ 222.12 lacs (March 31, 2017 ₹ 608.43 Lacs and April 01, 2016 ₹ 932.31 lacs) is secured by first pari passu charge by way of hypothecation of all the current assets of the Group and second pari passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal.

Cash credit from State Bank of India of ₹ 5,411.83 lacs (March 31, 2017 ₹ 5,357.69 Lacs and April 01, 2016 ₹ 4,293.31 lacs) is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debt and second pari passu charge by way of extension of charge on all the fixed assets of the Group including equitable mortgage of factory land & building at Behror and Samalkha.

Cash credit from Yes Bank of ₹ Nil (March 31, 2017 ₹ Nil and April 01, 2016 ₹ 784.96 lacs) is secured by subservient charge on all the current assets and movable fixed assets of the Group.

Cash credit from Punjab National Bank of ₹ 866.69 lacs (March 31, 2017 ₹ 955.35 Lacs and April 01, 2016 ₹ Nil) is secured by first charge over the entire current assets of the Group and second pari passu charge by way of extension of charge on all the fixed assets of the Group including equitable mortgage of factory land & building at Behror, Samalkha, Bihar and West Bengal and letter of comfort of M/s Chandbagh Investments Limited.

Cash credit from Lakshmi Vilas Bank of Rs. 748.66 lacs (March 31, 2017 ₹ 478.58 Lacs and April 01, 2016 ₹ 979.67 Lacs) is secured by first parri passu charge by way of hypothecation of all the current assets of the Group and second parri passu charge on all the fixed assets of the Group including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal.

Overdraft of ₹ 607.75 lacs is hypothecated against fixed deposits from Axis Bank (March 31, 2017 ₹ Nil and April 01, 2016 ₹ Nil)

Note 21 - Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Outstanding dues to Micro, Small and Medium Enterprises (Refer note 33)	-	-	-
Outstanding dues to parties other than Micro, Small and Medium Enterprises	9,647.65	10,344.70	7,253.42
Total	**9,647.65**	**10,344.70**	**7,253.42**

Note 22 - Tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Tax liabilities			
Provision for taxation (net of advance tax and TDS)	-	-	74.11
Total	**-**	**-**	**74.11**

Note 23 - Revenue from operations

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	Sale of goods (including excise duty of Rs. 66,206.19 lacs for the year ended March 31, 2018 and Rs. 33,396.24 lacs for the year ended March 31, 2017)	1,62,420.49	1,09,973.22
(b)	**Rendering of services**		
	Bottling Charges	508.39	598.43
(c)	**Other operating income**		
	Duty drawback and other export incentives	178.91	249.06
	Income from tie up units	16.26	-
	Revenue from operations	**1,63,124.05**	**1,10,820.71**

Note 24 - Other income

(₹ in Lacs)

	Particular	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	**Interest income**		
	Interest income earned on financial assets that are not designated as at FVTPL		
	On financial assets carried at amortised cost	145.38	242.86
(b)	**Dividend income**	-	0.21
(c)	**Other non-operating income**		
	(a) Gain/(loss) on disposal of property, plant and equipments	(11.88)	(5.61)
	(b) Net foreign exchange gain/(loss)	92.55	104.28
	(c) Others	314.66	108.80
	Total	**540.71**	**450.53**

Note 25 - Cost of material consumed

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials and packing materials		
Opening stock	2,417.08	826.25
Add: Purchases	56,911.27	49,389.95
	59,328.35	**50,216.20**
Less: Closing stock	2,626.26	2,417.08
Cost of materials consumed	**56,702.09**	**47,799.12**

Note 26 - Changes in inventory of finished goods

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Add: Opening stock		
Finished goods	3,975.53	2,949.47
Less: Closing stock		
Finished goods	4,244.04	3,975.53
Net (increase) / decrease in inventory of finished goods	**(268.51)**	**(1,026.06)**

Note 27 - Employee benefits expense

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(i)	Salaries and wages, including bonus	2,146.45	1,668.81
(ii)	Contribution to provident fund	68.43	45.60
(iii)	Gratuity expense	57.10	36.19
(iv)	Staff welfare expenses	21.76	22.96
	Total	**2,293.74**	**1,773.56**

Note 28 - Finance cost

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	Interest expense on		
	- Loans and obligations under finance lease	2,647.02	1,663.39
(b)	Other borrowing costs:-		
	- Interest on delayed / deferred payment of income tax	0.18	0.06
	- Bank charges	66.41	88.77
	Total	**2,713.61**	**1,752.22**

Note 29 - Depreciation and amortisation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment	3,619.83	2,687.40
Total	**3,619.83**	**2,687.40**

Note 30 - Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Consumption of enzymes, stores and spare parts and chemicals	2,286.29	1,402.67
Increase / (decrease) of excise cuty on inventory	185.62	49.94
Power and fuel	8,431.92	5,813.03
Bottling expenses/fees	7,666.17	6,533.21
Excise license, establishment and supervision fees	788.16	594.31
Security	165.38	121.66
Effluent disposal	43.54	53.42
Flour and pet coke feeding	356.91	232.68
Rent including lease rentals	270.78	257.14
Repairs and maintenance - buildings	173.95	47.08
Repairs and maintenance - machinery	1,129.58	745.29
Repairs and maintenance - others	83.05	47.18
Insurance	62.13	43.41
Rates and taxes	90.22	28.99
Communication	37.02	35.52
Travelling and conveyance	244.76	185.96
Printing and stationery	15.02	17.23
Freight and handling charges	3,489.42	3,353.22
Business promotion and marketing	282.24	195.77
Donations and contributions	1.28	9.87
Legal and professional	397.66	215.00
Payments to auditors (refer note 37)	53.36	42.78
Subscription books and periodicals	38.93	17.81
Electricity expenses	13.16	15.38
Director's sitting fee	4.71	5.04
Business surplus to franchise	4,732.47	2,979.23
Bad trade and other receivables, loans and advances written off	82.38	150.37
Provision for doubtful trade and other receivables, loans and advances (net)	34.93	76.09
Expenditure on corporate social responsibility	10.50	4.00
Brand Development Expenses	81.28	12.99
Design Services-New Brand	18.97	31.02
Miscellaneous expenses	109.33	140.66
Total	**31,381.10**	**23,457.94**

Note 31 - Tax expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Current tax		
Current tax expense (under MAT)	255.03	121.51
	255.03	**121.51**
(b) Deferred tax charge / (credit)		
In respect of current year	446.73	293.81
MAT credit recognised for current year	(255.03)	(121.51)
MAT credit recognised related to earlier years	-	(310.50)
Tax adjustments related to earlier years	5.28	-
	196.98	**(138.20)**
Income tax recognised in statement of profit and loss	**452.01**	**(16.69)**
The income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax	1,016.71	1,430.82
Income tax expense calculated at 34.608% (PY 34.608%)	364.05	501.36
Effect of unused tax losses not recognised as deferred tax assets	35.49	51.55
Effect of expenses that are not deductible in determining taxable profit	4.20	4.80
Others	48.27	(0.06)
Mat credit recognised relating to earlier years	-	(310.50)
Impact of additional deduction claimed u/s 32AC(1A)	-	(263.84)
Income tax expense recognised in statement of profit and loss	**452.01**	**(16.69)**
(c) Income tax recognised in other comprehensive income (OCI)		
Arising on income and expenses recognised in OCI		
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit liabilities / (asset)	6.49	(1.72)
Tax adjustment	(2.25)	0.60
	4.24	**(1.12)**

Note 32 - Contingent liabilities and commitments

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Contingent liabilities			
Claims against the Group not acknowledged as debts			
Excise duty matters	180.81	180.81	180.81
Sales tax matter	120.54	120.54	120.54
Income tax and other matters	3.59	69.73	77.81
Guarantees by bank on behalf of Group	278.85	257.15	358.58
	583.79	**628.23**	**737.74**
(b) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	74.34	74.57	2,396.12
Total	**658.13**	**702.80**	**3,133.86**

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.

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(vi) 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

The gross amount required to be spent by the Group for CSR expenditure during the year is ₹ 20.03 lacs (previous year ₹ 18.86 Lacs); and the amount spent (already paid for purposes other than construction / acquisition of any asset) is ₹ 10 lacs (previous year ₹ 4 lacs). There were no amount spent for construction / acquisition of any asset.

Note 35 - Disclosure under Ind-AS 17 "Leases"

i) Finance leases:

(a) The Group has taken certain vehicles on finance lease. The ownership of such vehicles will get transferred to the Group at the end of lease term. Assets are taken on lease upto a period of 5 years.

(b) The minimum lease rentals and the present value of minimum lease payments in respect of assets acquired under finance leases are as follows:

Minimum lease payments

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1. Payable not later than 1 year	59.09	54.41	63.97
2. Payable later than 1 year and not later than 5 years	135.23	140.80	151.17
Total	**194.32**	**195.21**	**215.14**

Future interest on outstanding lease payments

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1. Payable not later than 1 year	12.76	15.18	15.44
2. Payable later than 1 year and not later than 5 years	15.76	17.92	24.46
Total	**28.52**	**33.10**	**39.90**

Present value of minimum lease payments

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1. Payable not later than 1 year	45.35	39.23	48.53
2. Payable later than 1 year and not later than 5 years	120.45	122.88	126.71
Total	**165.80**	**162.11**	**175.24**

Included in the financial statement

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of finance lease obligations (note 16)	45.35	39.23	48.53
Non current borrowings (note 15)	120.45	122.88	126.71
Total	**165.80**	**162.11**	**175.24**

Note 35 - Disclosure under Ind-AS 17 "Leases"

Notes forming part of the consolidated financial statements

ii) Operating leases :

General description of the Group's operating lease arrangements:

The Group has entered into operating lease arrangements for certain facilities.

Some of the significant terms and conditions of the arrangements are:

the lease arrangements are non cancellable and are for a period of one year.

the lease arrangements are generally renewable on the expiry of the lease period subject to mutual agreement;

Future minimum lease payments under non cancellable operating leases are :

(₹ in Lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
- Not later than one year	3.50	2.90	-
- Later than one year and not later than five years	-	-	-
- Later than five years	-	-	-
Total	**3.50**	**2.90**	**-**

(₹ in Lacs)

	Current year	Previous year
Lease rent in respect of the above, charged to the statement of profit and loss for the year :	270.78	257.14

Note 36 - Earning per share

		For the year ended March 31, 2018	For the year ended March 31, 2017
Profit for the year attributable to equity shares	₹ in Lacs	568.94	1,446.39
Weighted average number of equity shares outstanding	Numbers	2,87,99,268	2,87,99,268
Basic earnings per share (face value - Rs. 10 per share)	Rupees	1.98	5.02
Diluted earnings per share (face value - Rs. 10 per share)	Rupees	1.98	5.02

Note 37 - Auditors' remuneration (excluding taxes)

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) To statutory auditors		
For Statutory audit	27.30	26.67
For Other services	23.00	13.50
Reimbursement of expenses	1.64	1.36
	51.94	**41.53**
(b) To cost auditors for cost audit	1.42	1.25
Total	**53.36**	**42.78**

Note 38 - Financial instruments by categories

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

(₹ in Lacs)

Particular	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets									
Investments									
- Equity investments	-	-	-	-	-	-	-	3.22	-
- Mutual funds	-	-	-	-	-	-	-	7.70	-
Trade receivables	4,835.13	-	-	3,528.85	-	-	3,775.09	-	-
Loans	747.81	-	-	667.47	-	-	688.76	-	-
Cash and cash equivalents	171.79	-	-	234.90	-	-	735.18	-	-
Other bank balances	72.34	-	-	1.75	-	-	1.75	-	-
Other financial assets	1,343.37	-	-	2,184.24	-	-	2,142.32	-	-
Total financial assets	**7,170.44**	**-**	**-**	**6,617.21**	**-**	**-**	**7,343.10**	**10.92**	**-**
Financial liabilities									
Borrowings	22,205.71	-	-	24,904.17	-	-	22,971.21	-	-
Trade payables	9,647.65	-	-	10,344.70	-	-	7,253.42	-	-
Other financial liability	3,787.37	-	-	3,551.87	-	-	2,964.40	-	-
Total financial liabilities	**35,640.73**	**-**	**-**	**38,800.74**	**-**	**-**	**33,189.03**	**-**	**-**

Note 39 - Capital management

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

For the purpose of the Group's capital management, capital includes equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Group Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital.

Gearing Ratio

(₹ in Lacs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non current borrowings	**15**	14,348.66	17,504.12	15,924.95
Current maturities of non current borrowings	**16**	2,945.35	2,289.23	2,323.53
Current borrowings	**20**	7,857.05	7,400.05	7,046.26
Less : Cash and cash equivalents	**13(a)**	171.79	234.90	735.18
Less : Other bank balance	**13(a)**	72.34	1.75	1.75
	Net Debt	**24,906.93**	**26,956.75**	**24,557.81**
Equity share capital	**14**	2,879.93	2,879.93	2,879.93
Other Equity		34,466.53	33,875.28	32,454.09
	Total Capital	**37,346.45**	**36,755.21**	**35,334.02**
	Gearing Ratio	**1.50**	**1.36**	**1.44**

Note 40 - Financial risk management

The Group is exposed to various financial risks arising from underlying operations and finance activities. The Group is primarily exposed to credit risk, liquidity risk and market risk.

Financial risk management within the Group is governed by policies and guidelines approved by the senior management and board of directors. These policies and guidelines cover foreign currency risk, credit risk and liquidity risk.

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group if the counterparty defaults on its obligations.

The Group is exposed to credit risk from its operating activities, primarily trade receivables.
To manage trade receivables, the Group periodically assessess the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.
The Group also makes general provision for lifetime expected credit loss based on its previous experience of write off in previous years.

The movement in the provision for doubtful debts is as under:

(₹ in Lacs)

Particulars	Financial assets
Provision as at April 1, 2016	**-**
Provision made during the year	40.06
Written off during the year	(4.32)
Provision as at March 31, 2017	**35.74**
Provision made during the year	38.10
Written off during the year	(35.51)
Provision as at March 31, 2018	**38.33**

(b) Liquidity risk management

(i) The Group manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Group also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total committed working capital limits from Banks	**8,890.00**	**8,890.00**	**9,200.00**
Utilized working capital limit	7,249.30	7,400.05	7,046.26
Unutilized working capital limit	1,640.70	1,489.95	2,153.74

(ii) Maturitities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

(₹ in Lacs)

Particulars	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
As at March 31, 2018				
Non-derivatives				
Borrowing *	2,945.35	12,192.43	2,156.23	**17,294.01**
Trade payable	9,647.65	-	-	**9,647.65**
Other financial liabilities	842.02	-	-	**842.02**
Total non-derivatives liabilities	**13,435.02**	**12,192.43**	**2,156.23**	**27,783.68**
As at March 31, 2017				
Non-derivatives				
Borrowing *	2,289.23	12,397.88	5,106.24	**19,793.35**
Trade payable	10,344.70	-	-	**10,344.70**
Other financial liabilities	1,262.64	-	-	**1,262.64**
Total non-derivatives liabilities	**13,896.57**	**12,397.88**	**5,106.24**	**31,400.69**
As at April 01, 2016				
Non-derivatives				
Borrowing *	2,323.53	12,326.71	3,598.24	**18,248.48**
Trade payable	7,253.42	-	-	**7,253.42**
Other financial liabilities	640.87	-	-	**640.87**
Total non-derivatives liabilities	**10,217.82**	**12,326.71**	**3,598.24**	**26,142.77**

* Excludes utilized working capital limited disclosed above in liquidity risk management.

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprise of three types of risk i.e interest rate risk, foreign currency risk and other price risk.
Financial instruments affected by market risk include trade payables.
The Group enters into derivative contracts to manage its exposure to foreign currency risk.

Foreign Currency risk management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Group is attributable to Group's operating activities.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

(₹ in Lacs)

Foreign currency	Assets			Liabilities		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
USD	27.51	276.15	130.41	43.10	165.96	-
Total	**27.51**	**276.15**	**130.41**	**43.10**	**165.96**	**-**

Foreign currency senstivity analysis

The Group is mainly exposed to USD.

The following table details the Group's sensitivity to a 1% increase and decrease in the Rupee against the foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary item as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number indicates an increase in profit before tax or vise-versa.

(₹ in Lacs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	strength-ens by 1%	weakens by 1 %	strength-ens by 1%	weakens by 1 %
Impact on profit / (loss) for the year				
USD	(0.16)	(0.16)	1.10	(1.10)

* Holding all Other variable constant

Forward foreign exchange contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business. The Group manages its foreign currency risk by hedging transactions that are expected to occur within of 2 to 3 months for hedges of forecasted sales. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivatives contracts outstanding at the end of the reporting period :

Outstanding Contracts	No of deals			Foreign Currency (FCY lacs)			Nominal Amount (₹ lacs)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
USD/INR buy forward	19.00	2.00	2.00	31.98	2.49	1.98	2,089.85	167.22	137.01

* Sensitivity on the above derivatives contracts in respect of foreign currency exposure is insignificant

Note 41 - Employee benefits plans

(a) Defined benefits plans

Gratuity scheme - The Group makes contributions for gratuity for qualifying employees. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment.

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
Movement in the present value of defined benefit obligation (A)		
1. Present value of obligation as at the beginning of the year	200.86	170.54
2. Current service cost	26.35	22.55
3. Past service cost	22.45	-
4. Interest cost	14.80	13.64
5. Actuarial (gain) / losses arising from change in financial assumptions	(5.60)	8.43
6. Actuarial (gain) / losses arising from change in experience adjustments	(0.90)	(6.72)
7. Benefits paid	(5.91)	(7.58)
8. Present value of obligation as at the end of the year	**252.05**	**200.86**
Liability recognized in the financial statement (A-B)	**252.05**	**200.86**
Main actuarial assumption		
Discount rate	7.71%	7.37%
Expected rate of increase in compensation levels	5.50%	5.50%
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-		
Age upto 30 years	3.00%	3.00%
Age from 31 to 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Retirement age (years)	58	58

Maturity profile of defined benefit obligation (₹ in Lacs)

Year	Gratuity
0 to 1 year	82.31
1 to 2 year	7.94
2 to 3 year	2.67
3 to 4 year	3.34
4 to 5 year	9.75
5 to 6 year	17.77
6 year onwards	128.27

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
Cost for the period		
1. Current service cost	26.35	22.55
2. Past service cost	22.44	-
3. Net interest cost	14.80	13.64
Total amount recognised in profit or loss	**63.59**	**36.19**
Re-measurements recognised in Other comprehensive income		
1. Actuarial (gain) / losses arising from change in financial assumptions	(5.60)	8.44
2. Actuarial (gain) / losses arising from change in experience adjustments	(0.90)	(6.72)
Total re-measurements included in Other Comprehensive Income	**(6.50)**	**1.72**
Total amount recognised in statement of profit and loss	**57.09**	**37.91**

Sensitivity analysis of the defined benefit obligation

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

(₹ in Lacs)

Particulars	Gratuity
a) Impact of the change in discount rate	
Present value of Obligation at the end of the year	252.05
i). Impact due to increase of 0.50%	(7.90)
ii). Impact due to decrease of 0.50%	8.52
b) Impact of the change in salary increase	
Present value of Obligation at the end of the year	252.05
i). Impact due to increase of 0.50%	8.66
ii). Impact due to decrease of 0.50%	(8.10)

(b) Defined contribution Plans

The Group makes contribution towards employees' provident fund for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Group has recognised for contributions to these plans in the statement of profit and loss as under :

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Group's contribution to provident fund	11.33	9.41
Total	**11.33**	**9.41**

Note 42 - Segment reporting

The Group is engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Bulk Alcohol and Franchise Bottling. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Group. Accordingly, the Group has a single reportable segment.

Note 43 - Information about major customer

Included in revenue are revenue of approximately Rs 37,651.63 lacs (2016-17 Rs. 27,811.54 lacs) which arose from sales to the Group's largest customer (refer note 12) . No other single customer contributed 10% or more to the Group's revenue for both 2017-18 and 2016-17.

Note 44 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

a) Key managerial personnel and their relatives :

Key management personnel

Mr. Ajay Kumar Swarup

Mr. Shekhar Swarup

Dr. Bhaskar Roy

Mr. Manik Lal Dutta

Mr. Ajay Goyal

b) Enterprises over which key managerial personnel and / or their relatives exercise significant influence :

Biotech India Limited

Chandbagh Investments Limited

GRAS education and training Services Private Limited

Himalayan Spirits Limited

Globus Spirits (Jharkhand) Limited

Globus Trois Freres India Limited

Globus Feeds Private Limited

V C technologies Private Limited

Northern India Alcohol Sales Private Limited

Rajasthan Distilleries Private Limited

ADL Agrotech Limited (Formerly known as Assocaited Distilleries Limited)

(i) Transactions with related parties :

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent paid		
Rajasthan Distilleries Private Limited	86.20	76.81
Biotech India Limited	69.14	59.89
ADL Agrotech Limited	6.00	6.00
Expenses reimbursed		
Biotech India Limited	0.15	6.85
GRAS education and training Services Private Limited	1.28	1.29
Payments made on behalf of		
Biotech India Limited	0.44	6.85
GRAS education and training Services Private Limited	1.42	1.41
Rajasthan Distilleries Private Limited	-	0.07
Write off / (write back) made during the year		
Himalayan Spirits Limited	-	1.63
Globus Spirits (Jharkhand) Limited	-	122.87
Investments made/(sold)		
Globus Trade Bay Limited (upto October 13, 2016)	-	(1.69)

Closing balances with related parties : (₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Particulars			
Balance outstanding as at year end			
Trade payables			
Rajasthan Distillers Private limited	-	-	0.16
Biotech India Limited	-	-	-
Trade receivables			
Biotech India Limited	-	-	7.65
Security deposit given			
ADL Agrotech Limited	418.87	427.54	464.94
Biotech India Limited	-	13.32	13.32
Other receivable / (payable)			
Globus Trois Freres India Limited	0.26	0.26	0.26
Himalayan Spirits Limited	-	0.54	2.17
Globus Spirits (Jharkhand) Limited	-	-	122.87
Globus Trade Bay Limited	-	-	(26.80)
GRAS education and training Services Private Limited	0.26	0.12	-

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

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Managerial remuneratio *		
Mr. Ajay Kumar Swarup	106.33	92.98
Mr. Shekhar Swarup	69.96	68.16
Dr. Bhaskar Roy	49.32	57.81
Mr. Manik Lal Dutta	34.45	36.80
Mr. Vijay Kumar Rekhi	69.00	-
Mr. Ajay Goyal	40.49	39.04

*** Category-wise break up of compensation to key management personal** (₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Managerial remuneration		
Short-term benefits	369.55	294.79

Note 45- Fair value hierarchy

Some of the Group's financial assets are measured at fair value at the end of each reporting period.

The following table presents fair vale hierarchy of financial assets measured at fair value on a recurring basis:

(₹ in Lacs)

	Level 1	Level 2	Level 3	Total
As at Mar 31, 2018				
Financial assets				
Investment in equity instruments at FVTPL	-	-	-	-
Investment in units of Non convertible debentures, Bonds and Mutual funds at FVTPL	-	-	-	-
Total financial assets	**-**	**-**	**-**	**-**
As at Mar 31, 2017				
Financial assets				
Investment in equity instruments at FVTPL	-	-	-	**-**
Investment in units of Mutual funds at FVTPL	-	-	-	**-**
Total financial assets	**-**	**-**	**-**	**-**
As at April 1, 2016				
Financial assets				
Investment in equity instruments at FVTPL	-	3.22	-	**3.22**
Investment in units of Mutual funds at FVTPL	-	7.70	-	**7.70**
Total financial assets	**-**	**10.92**	**-**	**10.92**

During the year ended March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in to and out of Level 3 fair value measurements.

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 other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly.

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

Note 46 (a) - Transition to Ind AS - principle and reconciliations

Overall principle

These are the Group's first financial statement prepared in accordance with Ind AS, accordingly the Group has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the exception and certain optional exemptions availed by the Group as detailed below :

A. Mandatory exceptions

Estimates

The estimates as at April 1, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

(i) Fair value through profit or loss (FVTPL) – unquoted equity shares

(ii) Impairment of financial assets based on expected credit loss model

The estimates used by the Group to present these amounts are in accordance with the Ind AS which reflects conditions as at April 1, 2016, the date of transition to Ind AS and as at March 31, 2017.

Derecognition of financial assets and financial liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

Classification and measurement of financial instruments

(I) Financial Instruments: (Security deposits)

Financial assets / liabilities like security deposits has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(II) Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

B. Optional exemptions

Deemed cost for property, plant and equipment and intangible assets

The Group has opted to measure all of its property, plant and equipment and intangible assets at the fair value and use that fair value as its deemed cost.

Determining whether an arrangement contains a lease

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Group has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as at the date of transition.

Designate of previously recognised financial instrument

The Group has elected this exemption and opted to designate financial asset at FVTPL as per Ind AS 109 based on facts and circumstances that exist as on transition date.

Reconciliation of Equity

(₹ in Lacs)

Particulars	Note	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 01, 2016 (Date of transition)
Total equity (shareholders' funds) under previous GAAP		**36,781.66**	**36,071.77**
Amortisation of premium on leasehold land	(a)	(28.56)	(17.83)
Processing fee on loan accounted for using effective interest rate	(f)	10.80	22.56
Measurement of equity investments at fair value through profit or loss (FVTPL)	(d)	-	2.69
Gain on derivatives under MTM accounting	(m)	5.65	5.25
Impact of measuring security deposits at amortised cost	(g)	(4.33)	-
Impact of fair valuation of intangible assets*	(c)	(721.65)	(1,443.30)
Impact of fair valuation of tangible assets*	(b)	441.31	40.65
Tax adjustments	(k), (b)	270.33	652.23
Total adjustment to equity		**(26.45)**	**(737.75)**
Total equity under Ind-AS		**36,755.21**	**35,334.02**

* The audit reports dated May 27, 2016 and May 19, 2017 on audited consolidated financial statements for the years ended March 31, 2016 and March 31, 2017, respectively were modified and included qualifications in respect of recognition of certain intangible items and impairment of certain plant and machineries as described in Note 10 to the audited consolidated financial statements for year ended March 31, 2016 and March 31, 2017. While transiting to Ind AS, the Group has debited ₹ 2,905.30 lacs (net of deferred tax ₹ 1,537.61 lacs) to retained earnings as at April 01, 2016 (transition date) as prior period adjustments.

Note 46 (b) - First - time Ind - AS adoption
i. Effect of Ind AS adoption on balance sheet

(₹ in Lacs)

Particulars	Note	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 01, 2016 (Date of transition)		
		Previous GAAP *	Effect of transition to Ind-AS	Ind-AS	Previous GAAP *	Effect of transition to Ind-AS	Ind-AS
I. ASSETS							
1 Non - current assets							
(a) Property, plant and equipment	(a),(b)	63,607.28	(433.33)	63,173.95	41,980.19	(1,015.85)	40,964.34
(b) Capital work-in-progress		13.89	-	13.89	13,134.82	-	13,134.82
(c) Other intangible assets	(c)	721.65	(721.65)	-	1,443.30	(1,443.30)	-
(d) Intangible assets under development		20.82	-	20.82	-	-	-
(e) Financial assets							
(i) Investments	(d)	-	-	-	0.53	2.69	3.22
(ii) Loans	(g)	655.60	(89.22)	566.38	503.25	-	503.25
(iii) Others financial assets		2,046.42	-	2,046.42	2,004.71	-	2,004.71
(f) Income tax assets (net)		300.40	-	300.40	182.37	-	182.37
(g) Other non current assets	(a),(f), (g)	309.39	1,064.01	1,373.40	4,143.94	1,038.74	5,182.68
		67,675.45	**(180.19)**	**67,495.26**	**63,393.11**	**(1,417.72)**	**61,975.39**
2 Current assets							
(a) Inventories		6,783.07	-	6,783.07	4,141.35	-	4,141.35
(b) Financial assets							
(i) Investments		-	-	-	7.70	-	7.70
(ii) Trade receivables		3,528.85	-	3,528.85	3,775.09	-	3,775.09
(iii) Cash and cash equivalents		234.90	-	234.90	735.18	-	735.18
(iv) Bank balances other than (iii) above		1.75	-	1.75	1.75	-	1.75
(v) Loans		101.09	-	101.09	185.51	-	185.51
(vi) Others financial assets	(m)	132.17	5.65	137.82	132.36	5.25	137.61
(c) Other current assets	(a), (f), (g)	1,061.15	59.60	1,120.75	774.82	22.48	797.30
		11,842.98	**65.25**	**11,908.23**	**9,753.76**	**27.73**	**9,781.49**
TOTAL ASSETS		**79,518.43**	**(114.94)**	**79,403.49**	**73,146.87**	**(1,389.99)**	**71,756.88**
II. EQUITY AND LIABILITIES							
1 Equity							
(a) Equity share capital		2,879.93	-	2,879.93	2,879.93	-	2,879.93
(b) Other equity		33,901.73	(26.45)	33,875.28	33,191.84	(737.75)	32,454.09
		36,781.66	**(26.45)**	**36,755.21**	**36,071.77**	**(737.75)**	**35,334.02**
2 Liabilities							
Non - current liabilities							
(a) Financial liabilities							
(i) Borrowings		17,504.12	-	17,504.12	15,924.95	-	15,924.95
(b) Provisions		142.33	-	142.33	109.53	-	109.53
(c) Deferred tax liabilities (net)	(k)	2,658.12	(270.33)	2,387.79	3,178.83	(652.24)	2,526.59
(d) Other non current liabilities	(e)	36.00	181.84	217.84	48.00	-	48.00
		20,340.57	**(88.49)**	**20,252.08**	**19,261.31**	**(652.24)**	**18,609.07**
3 Current liabilities							
(a) Financial liabilities							
(i) Borrowings		7,400.05	-	7,400.05	7,046.26	-	7,046.26
(ii) Trade payables		10,344.70	-	10,344.70	7,253.42	-	7,253.42
(iii) Other financial liabilities		3,551.87	-	3,551.87	2,964.40	-	2,964.40
(b) Other current liabilities		974.91	-	974.91	303.60	-	303.60
(c) Provisions		124.67	-	124.67	172.00	-	172.00
(d) Current tax liabilities (net)		-	-	-	74.11	-	74.11
		22,396.20	**-**	**22,396.20**	**17,813.79**	**-**	**17,813.78**
TOTAL EQUITY AND LIABILITIES		**79,518.43**	**(114.94)**	**79,403.49**	**73,146.87**	**(1,389.99)**	**71,756.88**

* The previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

ii. Effect of Ind-AS adoption on the Statement of profit and loss for the year ended March 31, 2017

(₹ in Lacs)

	Particulars	Note	For the year ended March 31, 2017 (Latest period presented under previous GAAP)		
			Previous GAAP	Effect of transition to Ind-AS	Ind-AS
I	Revenue from operations	(i),(l)	78,912.38	31,908.33	110,820.71
II	Other income	(g),(m)	417.64	32.89	450.53
III	**Total revenue (I + II)**		**79,330.02**	**31,941.22**	**111,271.24**
IV	**Expenses:**				
	(a) Cost of materials consumed		47,799.12	-	47,799.12
	(b) Changes in inventories of finished goods and work in progress		(1,026.06)	-	(1,026.06)
	(c) Excise duty on sale of goods	(i)	-	33,396.24	33,396.24
	(d) Employee benefits expense	(h)	1,775.28	(1.72)	1,773.56
	(e) Finance costs		1,752.22	-	1,752.22
	(f) Depreciation expense	(b),(c)	3,809.70	(1,122.30)	2,687.40
	(g) Other expenses	(a),(g),(l)	24,883.86	(1,425.92)	23,457.94
	Total expenses (IV)		**78,994.12**	**30,846.30**	**109,840.42**
V	**Profit before tax (III - IV)**		335.90	1,094.92	1,430.82
VI	**Tax expense:**				
	(a) Current tax		121.51	-	121.51
	(b) Deferred tax	(k)	(520.70)	382.50	(138.20)
			(399.19)	382.50	(16.69)
VII	**Profit for the year (V - VI)**		**735.09**	**712.42**	**1,447.51**
VIII	**Other comprehensive income (OCI)**				
	Items that will not be reclassified to profit or loss				
	Remeasurements of the defined benefit liabilities / (asset)	(h)	-	(1.72)	(1.72)
	Tax adjustment	(k)	-	0.60	0.60
	Total other comprehensive income for the year		**-**	**(1.12)**	**(1.12)**
IX	**Total other comprehensive income for the period**		**735.09**	**711.30**	**1,446.39**

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2017 (Latest period presented under previous GAAP)
Profit as per previous GAAP		**735.09**
Adjustments :		
Amortisation reversal of Know-how and new brand development	(c)	721.64
Depreciation on fair valuation of Property, plant and equipment	(b)	400.66
Amortisation of leasehold land	(a)	(10.72)
Amortisation of upfront fees	(f)	(11.76)
Amortisation of security deposits (net of unwinding income)	(g)	(4.33)
Gain on derivatives under MTM accounting	(m)	0.40
Fair valuation of quoted equity investments	(d)	(2.69)
Contribution to provident and other funds	(h)	1.72
Deferred Tax	(k)	(382.50)
Total effect of transition to Ind-AS		**712.42**
Profit for the year as per Ind-AS		**1,447.51**
Other comprehensive income for the year (net of tax)	(j)	(1.12)
Total comprehensive income under Ind-AS		**1,446.39**

Note : Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

iv. Effect of Ind-AS adoption on the Statement of cash flows for the year ended March 31, 2017

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2017 (Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind-AS	Ind-AS
Net cash flows from operating activities	(n)	5,780.10	880.00	6,660.10
Net cash flows from investing activities	(n)	(6,295.93)	(877.38)	(7,173.31)
Net cash flows from financing activities	(n)	15.55	(2.62)	12.93
Net increase (decrease) in cash and cash equivalents		**(500.28)**	**-**	**(500.28)**
Cash and cash equivalents at the beginning of the period		**735.18**	**-**	**735.18**
Cash and cash equivalents at the end of the period		**234.90**	**-**	**234.90**

v. Analysis of cash and cash equivalents as at March 31, 2017 and as at April 1, 2016 for the purpose of statement of cash flows under Ind-AS

(₹ in Lacs)

Particulars	As at March 31, 2017 (End of last period presented under previous GAAP)	As at April 1, 2016 (Date of transition)
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	**234.90**	**735.18**
Cash and cash equivalents for the purpose of statement of cash flows under Ind-AS	**234.90**	**735.18**

Note : -

(a) Leasehold land

Under previous GAAP, the leasehold land was considered as part of property, plant and equipment as being long lease, accordingly in the financial year 2016-17 no amortisation was charged. As per Ind AS-17 leasehold land of Rs. 1,056.48 lacs has now been classified as operating lease and the premium paid on leasehold land is amortized over the period of the lease which amounts to Rs. 10.72 lacs in financial year 2016-17. The proportionate unamortized amount of Rs. 17.83 lacs upto the date of transition is adjusted against retained earnings in the opening balance sheet.

(b) Property, plant and equipment

The Company has elected to recognise its Property, plant and equipment (PPE) at fair value as on April 1, 2016 and use that as its deemed cost as of transition date. As on the transition date such fair value adjustment resulted in net increase of PPE by Rs. 40.65 lacs with corresponding increase in retained earnings. Depreciation amounting to Rs. 400.66 lacs in financial year 2016-17 has been adjusted in the statement of profit and loss. The fair value adjustment resulted in increase of freehold land by Rs. 1,543.63 lacs and decrease of other PPE By Rs. 1,502.98 lacs which resulted in deferred tax income of Rs. 160.55 lacs.

(c) Intangible Assets

Under previous GAAP, knowhow and new brand development was being amortised. Under the Ind AS 38, such intangible assets fair valued as at the transition date and accordingly, the intangible assets have been written down to Rs. Nil. Consequently, Rs. 1,443.30 lacs has been charged off from Retained earnings as on the transition date and Rs. 721.64 has been adjustment has been passed for reversal of amortisation booked under Indian GAAP for the year ended March 31, 2017.

(d) Investments

Under the previous GAAP, long term investments were measured at cost less diminution which is other than temporary. Under Ind AS 40, these financial assets have been classified as FVTPL. On the transition date these financial assets have been measured at their fair value which is greater than the cost as per previous GAAP, resulting in increase in carrying amount by Rs. 2.69 lacs as at transition date with resulting gain adjusted in retained earnings.

(e) Capital subsidy

Under the previous GAAP, Capital subsidy was treated as part of retained earnings treating the same in the nature of Promotor contribution, now under Ind AS 20 the same has been deferred as subsidy received and to be amortised over the period of related property, plant and equipment. The resulting amount for the period ended March 31, 2017 amounting to Rs. 181.84 lacs is treated as deferred liability.

(f) Borrowings

Under previous GAAP, transaction costs incurred in connection with long term borrowings were charged off in the year of borrowing. Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowings as part of interest expense using effective interest rate method. The resulting net impact of Rs. 11.76 lacs is charged in the statement of profit and loss for the year ended March 31, 2017.

(g) Security deposits

Under the previous GAAP, interest free security deposits given were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid expenses and is amortised over the period of security deposit on straight line basis. Notional interest income on such deposits is recognised over the security period using effective interest method. The resulting net impact of Rs. 4.33 lacs is charged in the statement of profit and loss for the year ended March 31, 2017.

(h) Actuarial gains/losses on defined benefit obligation

Under previous GAAP in respect of defined benefit plan, actuarial gains and losses were recognised in the statement of profit or loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of the net defined benefit liability / asset is recognised in other comprehensive income. The tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of the statement of profit and loss. There is no impact on the total equity.

(i) Excise duty

Under previous GAAP, revenue from sale of goods was presented net of excise duty under revenue from operations. Whereas, under Ind AS, revenue from sale of goods includes excise duty. The corresponding excise duty expense of Rs. 33,396.24 lacs is presented separately on the face of the statement of profit and loss. The change does not affect total equity as on April 1, 2016 and March 31, 2017 and the profit for the year ended March 31, 2017.

(j) Other comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

(k) Deferred tax assets / liabilities

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. Such adjustments amounting to Rs. 270.34 lacs as at March 31, 2017 and Rs. 652.24 lacs as at April 01, 2016.

(l) Rebate and discount

Under previous GAAP, rebate and discount was shown under other expenses. However, under Ind AS, sale of goods is presented net of discount of Rs. 1,487.91 lacs. Thus sale of goods under Ind AS has decreased for the year ended March 31, 2017 with a corresponding decrease in other expenses. The change does not affect total equity as on April 1, 2016 and March 31, 2017 and profit for the year ended March 31, 2017.

(m) Recognition of Mark to Market (MTM) gain/loss of foreign forward exchange contracts through profit or loss. (As at April 01, 2016 : Rs. 5.25 lacs and Rs. 5.65 lacs for the year ended March 31, 2017)

(n) The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the Group.

Note 47 - Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 21, 2018.

Independent Auditor's Report

Report on the Standalone Ind AS Financial Statements

To the Members of

M/s. GLOBUS SPIRITS LIMITED

We have audited the accompanying standalone Ind AS financial statements of Globus Spirits Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS 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 Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 2 of the standalone Ind AS financial statements, which describes the status of operations upon grant of permission for manufacture and sale of Extra Neutral Alcohol (ENA) under the Bihar Prohibition and Excise Act, 2016, in respect of one of the manufacturing plant located in Bihar.

Our opinion is not modified in respect of this matter.

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 Cash Flow Statement 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 standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer note 32 to the standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Vijay Agarwal
(Partner)
(Membership No. 094468)

Washington, D.C., May 21, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Globus Spirits Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

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

Vijay Agarwal
(Partner)
(Membership No. 094468)

Washington, D.C., May 21, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of the Company's fixed assets:

(a) The Company has maintained records showing particulars, including situation of fixed assets, however, certain particulars are in the process of being updated.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ Ikrarnama/ Shapathpatra provided to us, we report that, the title deeds, comprising all the immovable properties of land, are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except in case of inventories lying with third parties, where confirmations has been obtained from third parties in respect of such inventories, and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of which:

(a) The terms and conditions of the grant of such loans amounting to Rs. 229.34 lacs given to a subsidiary are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) According to the information and explanations given to us, the above loans are receivable on demand, which as informed to us, have not been recalled by the Company. In the absence of any stipulated schedule of repayment of principal and payment of interest, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.

(c) According to the information and explanations given to us, the above loans are receivable on demand, which as informed to us, have not been recalled by the Company. Accordingly, there is no overdue amount remaining outstanding as at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit under Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax. Sales tax and Excise Duty which have not been deposited as at March 31, 2018 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates (Financial Year)	Amount Involved (₹ In Lacs) *
Excise Laws	Excise Duty	High Court	1995-96, 2004-10	197.39
		Appellate authority up to Commissioners' level	1996-97	11.11
Sales Tax Laws	Sales tax	High Court	2010 -11	120.55
Income Tax Act, 1961	Income tax	Appellate authority upto Commissioners' level	2012-13, 2013-14	3.59

* Amount as per demand orders including interest and penalty wherever indicated in the Order. No amount has been paid under protest.

The following matter, which has been excluded from the table above, has been decided in favour of the Company but the department has preferred appeals at higher levels. The details are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹)*
Sales Tax Laws	Sales tax	High Court	2004 -05 to 2005-06 2007-08 to 2009-10	32,468,426

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

There were no dues of Service Tax, Customs Duty and Value Added Tax which have not been deposited as at March 31, 2018 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loan or borrowing from government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer (including debt instruments) during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Vijay Agarwal
(Partner)
(Membership No. 094468)

Washington, D.C., May 21, 2018

Standalone Balance Sheet
as at March 31, 2018

(₹ in Lacs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
I. ASSETS				
1 Non - current assets				
(a) Property, plant and equipment	2	60,854.01	63,173.49	40,963.58
(b) Capital work-in-progress	3	12.83	13.89	13,134.82
(c) Intangible assets under development	4	34.13	20.82	-
(d) Financial assets				
(i) Investments	5	494.63	494.63	9.92
(ii) Loans	6 (a)	837.80	549.48	810.25
(iii) Others financial assets	7 (a)	1,242.14	2,046.42	2,004.71
(e) Income tax assets (net)	8	319.15	300.40	182.37
(f) Other non current assets	9 (a)	1,536.23	1,373.4	5,182.68
Total non-current assets		**65,330.92**	**67,972.53**	**62,288.33**
2 Current assets				
(a) Inventories	10	7,301.69	6,783.07	4,141.35
(b) Financial assets				
(i) Other investments	11	-	-	7.70
(ii) Trade receivables	12	4,835.13	3,528.85	3,748.29
(iii) Cash and cash equivalents	13 (a)	163.09	229.31	712.44
(iv) Bank balances other than (iii) above	13 (b)	72.34	1.75	1.75
(v) Loans	6 (b)	102.74	101.09	185.37
(vi) Others financial assets	7 (b)	101.23	137.82	137.61
(c) Other current assets	9 (b)	768.78	1,120.28	792.61
Total current assets		**13,345.00**	**11,902.17**	**9,727.12**
TOTAL ASSETS		**78,675.92**	**79,874.70**	**72,015.45**
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	14	2,879.93	2,879.93	2,879.93
(b) Other equity		35,056.60	34,349.90	32,736.67
		37,936.53	**37,229.83**	**35,616.60**
2 Liabilities				
Non - current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	14,348.66	17,504.12	15,924.95
(b) Provisions	17 (a)	169.75	142.33	109.53
(c) Deferred tax liabilites (net)	18	2,586.92	2,387.70	2,526.49
(d) Other non current liabilities	19 (a)	271.42	217.84	48.00
Total non-current liabilities		**17,376.75**	**20,251.99**	**18,608.97**
3 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	7,857.05	7,400.05	7,046.26
(ii) Trade payables	21	9,619.55	10,342.04	7,234.68
(iii) Other financial liabilities	16	3,787.37	3,551.87	2,964.40
(b) Other current liabilities	19 (b)	1,950.23	974.25	298.43
(c) Provisions	17 (b)	148.44	124.67	172.00
(d) Current tax tiabilities (net)	22	-	-	74.11
Total current liabilities		**23,362.64**	**22,392.88**	**17,789.88**
Total liabilities		**40,739.39**	**42,644.87**	**36,398.85**
TOTAL EQUITY AND LIABILITIES		**78,675.92**	**79,874.70**	**72,015.45**

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Shekhar Swarup
Joint Managing Director
DIN-00445241

Ajay Goyal
Chief Financial Officer

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Bhaskar Roy
Executive Director
DIN-02805627

Place : Washington, D.C.
Date : May 21, 2018

Place : New Delhi
Date : May 21, 2018

Standalone Statement of Profit and Loss

for the year ended March 31, 2018

(₹ in Lacs)

	Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I	Revenue from operations	23	1,63,107.78	1,10,820.71
II	Other income	24	548.44	476.11
III	**Total income (I + II)**		**1,63,656.22**	**1,11,296.82**
IV	**Expenses:**			
	(a) Cost of materials consumed	25	56,702.09	47,799.12
	(b) Changes in inventories of finished goods and work in progress	26	(268.51)	(1,026.06)
	(c) Excise duty on sale of goods		66,206.19	33,396.24
	(d) Employee benefits expense	27	2,280.50	1,692.34
	(e) Finance costs	28	2,713.61	1,752.22
	(f) Depreciation expense	29	3,619.09	2,687.10
	(g) Other expenses	30	31,248.79	23,398.19
	Total expenses (IV)		**1,62,501.76**	**1,09,699.15**
V	**Profit before tax (III - IV)**		1,154.46	1,597.67
VI	**Tax expense:**			
	(a) Current tax	31 (a)	255.03	121.51
	(b) Deferred tax	31 (b)	196.97	(138.19)
			452.00	**(16.68)**
VII	**Profit for the year (V - VI)**		**702.46**	**1,614.35**
VIII	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit liabilities / (asset)	31 (c)(i)	6.49	(1.72)
	Tax adjustment	31 (c)(i)	(2.25)	0.60
	Other comprehensive income		**4.24**	**(1.12)**
IX	**Total comprehensive income for the year (VII + VIII)**		**706.70**	**1,613.23**
X	**Earnings per share (of Rs. 10 each):**			
	Basic (in ₹)		2.45	5.60
	Diluted (in ₹)		2.45	5.60

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Shekhar Swarup
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Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Bhaskar Roy
Executive Director
DIN-02805627

Place : Washington, D.C.
Date : May 21, 2018

Place : New Delhi
Date : May 21, 2018

Standalone Statement of Cash Flows

for the year ended March 31, 2018

(₹ in Lacs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
A. Cash flow from operating activities				
Profit before tax		**1,154.46**		**1,597.67**
Adjustments for :				
Impairment of property, plant and equipment	3,619.09		2,687.10	
Amortisation of non current assets	10.72		10.72	
Loss on disposal of property, plant and equipments	11.88		5.61	
Finance cost recognised in profit or loss	2,713.61		1,752.22	
Interest income recignised in profit or loss	(153.11)		(268.43)	
Other non operating income	-		(0.21)	
Net foreign exhange (gain) / loss	(0.02)		2.82	
Liabilities / provisions no longer required written back	(314.66)		(108.80)	
Impairment loss recofnised on trade receivables	117.31		226.46	
		6,004.82		**4,307.49**
Operating profit before working capital changes		**7,159.28**		**5,905.16**
Movement in working capital:				
Increase/(decrease) in inventories	(518.62)		(2,641.72)	
Increase/(decrease) in trade receivables	(1,391.23)		30.51	
Increase/(decrease) in other assets	(74.49)		138.36	
Increase/(decrease) in trade payables	(407.83)		3,216.16	
Increase/(Decrease) in other liabilities	1,024.78		822.66	
Increase/(decrease) in current provisions	57.68		(16.25)	
		(1,309.71)		**1,549.72**
Cash generated from operations		**5,849.57**		**7,454.88**
Income taxes paid		(273.78)		(313.65)
Net cash generated by operating activities (A)		**5,575.79**		**7,141.23**
B. Cash flow from investing activities				
Payment for Property, plant and equipment	(2,184.42)		(7,454.44)	
Proceeds from disposal of property, plant and equipments	303.91		41.48	
Payment to aquire financial assets	-		(484.72)	
Proceeds on sale of financial assets	-		7.70	
Interest received	184.05		268.62	
Dividend received	-		0.21	
Movement in bank balances not considered as cash and cash equivalents	733.69		(41.71)	
Net cash (used in)/generated by investing activities (B)		**(962.76)**		**(7,662.86)**
C. Cash flow from financing activities				
Proceeds from borrowings	(2,043.30)		1,896.03	
Interest and other borrowing cost paid	(2,635.95)		(1,857.53)	
Net cash flow from / (used in) financing activities (C)		**(4,679.25)**		**38.50**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**(66.22)**		**(483.13)**
Cash and cash equivalents at the beginning of the year		229.31		712.44
Cash and cash equivalents at the end of the year		**163.09**		**229.31**

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Shekhar Swarup
Joint Managing Director
DIN-00445241

Ajay Goyal
Chief Financial Officer

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Bhaskar Roy
Executive Director
DIN-02805627

Place : Washington, D.C.
Date : May 21, 2018

Place : New Delhi
Date : May 21, 2018

Standalone Statement of Changes in Equity
for the year ended March 31, 2018

a. Equity share capital

(₹ in Lacs)

Particulars	Amount
Balance as at April 1, 2016	**2,879.93**
Changes in equity share capital during the year (refer note 14)	-
Balance as at March 31, 2017	**2,879.93**
Changes in equity share capital during the year (refer note 14)	-
Balance as at March 31, 2018	**2,879.93**

b. Other equity

(₹ in Lacs)

Particulars	Other equity			Total
	Reserves and surplus			
	Securities premium account	General reserve	Surplus in Statement of Profit and Loss	
Balance as at April 1, 2016	14,894.92	1,415.65	16,426.10	**32,736.67**
1. Profit for the year	-	-	1,614.35	**1,614.35**
2. Other comprehensive income for the year, net of income tax	-	-	(1.12)	**(1.12)**
Total comprehensive income for the year	**-**	**-**	**1,613.23**	**1,613.23**
Balance as at March 31, 2017	**14,894.92**	**1,415.65**	**18,039.33**	**34,349.90**
1. Profit for the year	-	-	702.46	**702.46**
2. Other comprehensive income for the year, net of income tax	-	-	4.24	**4.24**
Total comprehensive income for the year	**-**	**-**	**706.70**	**706.70**
Balance as at March 31, 2018	**14,894.92**	**1,415.65**	**18,746.03**	**35,056.60**

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

For Deloitte Haskins & Sells
Chartered Accountants

Vijay Agarwal
Partner

Place : Washington, D.C.
Date : May 21, 2018

For and on behalf of the Board of Directors

Ajay K. Swarup
Managing Director
DIN-00035194

Shekhar Swarup
Joint Managing Director
DIN-00445241

Ajay Goyal
Chief Financial Officer

Santosh Kumar Pattanayak
Company Secretary
ACS-18721

Bhaskar Roy
Executive Director
DIN-02805627

Place : New Delhi
Date : May 21, 2018

Notes forming part of the standalone financial statements
for the year ended March 31, 2018

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 manufacture and sale of Indian Made Indian Liquor (IMIL), Bulk Alcohol and Franchise Bottling.

Note 1.2 - Statement of compliance

These standalone Ind AS financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements up to the year ended March 31, 2017 were prepared in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Act ('Previous GAAP'). These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer note 46 for an explanation of the transition from previous GAAP to Ind AS and the effect on the Company's financial position, financial performance and cash flows.

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 17, 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.

II Revenue recognition

Sale of goods : Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of returns and allowances, trade discounts and volume rebates.

Sales include excise duty but exclude sales tax, value added tax, central goods and service tax, state goods and service tax and integrated goods and service tax. Revenue is reduced for rebates and discounts.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales arrangements.

Income from brand franchise are recognised in terms of the respective contracts on sale of the products by the Franchisees.

Other operating income : Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Income from services : Revenues from bottling contracts with brand franchise are recognised when services are rendered and related costs are incurred.

Other income : Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

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 have 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."

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

iii. Capital work-in-progress

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

IV Intangible assets :

Intangible assets under development

Intangible assets are recognised when the entity controls the assets, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

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

V A. Depreciation / amortisation

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

Estimated useful lives of the assets is as given below :

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

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

B. Impairment

(i) Financial assets

The Company recognizes loss allowance for trade receivables with no significant financing component at an amount equal to lifetime expected credit loss.

(ii) Non - financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell 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 review/assess at each reporting date if there is any indication that an asset may be impaired.

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.

Investments in subsidiary are carried at cost at the time of intitial recognition in the financial statements.

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 (i.e. amortised cost or through other comprehensive income) are subsequently measured at fair value through profit or loss.

(iv) Investment in subsidiary : Investment in subsidiary is carried at cost less impairment, if any, in the separate financial statements.

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

VIII Impairment of investments

The Company reviews its carrying value of long term investments in equity shares of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

IX Inventories

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

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

X Employee benefits

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

i. The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii. For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

iii. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

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

XI Contingent assets/liabilities and provisions

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

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

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

XII Leases

Lease payments under operating leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the Company's benefit. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Financial lease transactions entered are considered as financial arrangements and the leased assets are capitalised on an amount equal to the present value of future lease payments and corresponding amount is recognised as a liability. The lease payments made are apportioned between finance charge and reduction of outstanding liability in relation to leased asset.

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

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the 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 nolonger 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.

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

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

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

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

(ii) Impairment of investments :

The Company has reviewed its carrying value of long term investments in equity of subsidiary carried at cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Deferred tax assets :

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

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 and subsidies

"Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period. Such a grant is recognised in pro!t or loss of the period in which it becomes receivable.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

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."

XVIII Borrowing costs

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

XIX Derivative contracts

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

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

XX Cash and Cash Equivalents

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

XXI Recent accounting pronouncement issued but not yet effective upto the date of issuance of financial statements

"In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers' (a new revenue standard) and Appendix B to Ind AS 21, 'Foreign Currency Transactions and Advance Consideration'. These amendments are applicable to the Group from April 1, 2018.

Ind AS 115 obliges the Group to book its revenue from customers on the 5 step model. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Basis the operations of the Company, this Ind AS is not applicable to the Company.

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

There is no impact on the Company due to notification of this Appendix."

Note 2 - Property, plant and equipment as at March 31, 2018

(₹ in Lacs)

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount	
	As at March 31, 2017	Additions	Disposals / adjustment of assets	As at March 31, 2018	As at March 31, 2017	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
LAND										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	2,907.33	**-**	**-**	**2,907.33**	**-**	**-**	**-**	**-**	**2,907.33**	**2,907.33**
BUILDINGS										
Factory buildings	9,673.47	346.82	100.10	9,920.19	238.73	380.11	-	618.84	9,301.35	9,434.74
	9,673.47	**346.82**	**100.10**	**9,920.19**	**238.73**	**380.11**	**-**	**618.84**	**9,301.35**	**9,434.74**
PLANT AND EQUIPMENT										
Plant and machinery	52,333.26	1,016.07	132.11	53,217.22	2,338.67	3,084.11	17.50	5,405.28	47,811.94	49,994.59
Electrical installations and equipment	290.14	20.76	1.75	309.15	14.45	31.47	-	45.92	263.23	275.69
Computer	29.48	6.86	0.01	36.33	9.97	11.64	-	21.61	14.72	19.51
	52,652.88	**1,043.69**	**133.87**	**53,562.70**	**2,363.09**	**3,127.22**	**17.50**	**5,472.81**	**48,089.89**	**50,289.79**
FURNITURE AND FIXTURES										
Furniture and fixtures	140.69	5.59	-	146.28	18.18	21.49	-	39.67	106.61	122.51
	140.69	**5.59**	**-**	**146.28**	**18.18**	**21.49**	**-**	**39.67**	**106.61**	**122.51**
VEHICLES										
Owned	157.20	-	-	157.20	-	-	-	-	157.20	157.20
Taken under finance lease	260.61	147.67	73.86	334.42	47.08	72.53	12.25	107.36	227.06	213.53
	417.81	**147.67**	**73.86**	**491.62**	**47.08**	**72.53**	**12.25**	**107.36**	**384.26**	**370.73**
OFFICE EQUIPMENT										
Office equipment	59.12	33.92	-	93.04	10.73	17.74	-	28.47	64.57	48.39
	59.12	**33.92**	**-**	**93.04**	**10.73**	**17.74**	**-**	**28.47**	**64.57**	**48.39**
Total	**65,851.30**	**1,577.69**	**307.83**	**67,121.16**	**2,677.81**	**3,619.09**	**29.75**	**6,267.15**	**60,854.01**	**63,173.49**

(i) For lien / charge against property, plant and equipment refer note 15 and 20.

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 3 - Capital work-in-progress	12.83	13.89

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 4 - Intangible assets under development	34.13	20.82

Note

The Company is planning to recommence the operations at its manufacturing plant located in Bihar in the financial year 2018-2019, in light of the permission granted to the Company by The Prohibition, Excise & Registration Department, Government of Bihar, Patna on May 04, 2018 wherein the Company is allowed to manufacture ENA in accordance with the conditions published in the official Gazette No. 245, 246, 247 and 248 dated March 16, 2018.

The Company's license for production of Extra Neutral Alcohol (ENA) from Grain in respect of one of the manufacturing plant located in Bihar was valid till March 31, 2017. The State Government of Bihar vide Notification No. 11/Adhi, Karya-01-06/2016-235 dated January 24, 2017, inter alia, notified that the existing license of production of ENA from Grain based distilleries, or Bottling Plants shall not be renewed by the State Government from the financial year 2017-18. The Company, aggrieved by the Notification filed a writ petition in the Patna High Court challenging the constitutional validity of certain provisions under Bihar Prohibition and Excise Act, 2016 so far as they relate to prohibition of manufacture and prevention of renewal of license pertaining to ENA. The High Court, while deciding the petition in favour of the Company on May 03, 2017 has, inter alia, set aside the Notification dated January 24, 2017 issued by the State Government so far as it prevents or denies the right of renewal of an existing license for production of ENA from grain based distillers. Based on the decision of the High Court, the Company applied for renewal of license with Prohibition, Excise & Registration Department, Government of Bihar, Patna on May 05, 2017. On May 29, 2017, Bihar excise department filed special leave petition (SLP) before the Supreme Court challenging the said High Court order dated May 03, 2017, which was dismissed by the Hon'ble Supreme court of India vide their order dated January 19, 2018.

Note 2 - Property, plant and equipment as at March 31, 2017 and April 01, 2016

(₹ in Lacs)

Particulars	Gross carrying amount					Accumulated depreciation			Net carrying amount	
	Deemed cost as at April 01, 2016	Additions	Disposals / adjustment of assets	As at March 31, 2017	As at April 01, 2016	Depreciation for the year	Eliminated on disposal / adjustment of assets	As at March 31, 2017	As at March 31, 2017	As at April 01, 2016
LAND										
Freehold land	2,907.33	-	-	2,907.33	-	-	-	-	2,907.33	2,907.33
	2,907.33	**-**	**-**	**2,907.33**	**-**	**-**	**-**	**-**	**2,907.33**	**2,907.33**
BUILDINGS										
Factory buildings	4,667.15	5,006.32	-	9,673.47	-	238.73	-	238.73	9,434.74	4,667.15
	4,667.15	**5,006.32**	**-**	**9,673.47**	**-**	**238.73**	**-**	**238.73**	**9,434.74**	**4,667.15**
PLANT AND EQUIPMENT										
Plant and machinery	32,896.29	19,477.60	40.63	52,333.26	-	2,344.25	5.58	2,338.67	49,994.59	32,896.29
Electrical installations and equipment	86.83	203.31	-	290.14	-	14.45	-	14.45	275.69	86.83
Computer	15.56	13.92	-	29.48	-	9.97	-	9.97	19.51	15.56
	32,998.68	**19,694.83**	**40.63**	**52,652.88**	**-**	**2,368.67**	**5.58**	**2,363.09**	**50,289.79**	**32,998.68**
FURNITURE AND FIXTURES										
Furniture and fixtures	86.25	54.44		140.69	-	18.18	-	18.18	122.51	86.25
	86.25	**54.44**	**-**	**140.69**	**-**	**18.18**	**-**	**18.18**	**122.51**	**86.25**
VEHICLES										
Owned	-	157.20	-	157.20	-	-	-	-	157.20	
Taken under finance lease	279.61	55.99	74.99	260.61	-	50.79	3.71	47.08	213.53	279.61
	279.61	**213.19**	**74.99**	**417.81**	**-**	**50.79**	**3.71**	**47.08**	**370.73**	**279.61**
OFFICE EQUIPMENT										
Office equipment	24.56	34.56	-	59.12	-	10.73	-	**10.73**	48.39	24.56
	24.56	**34.56**	**-**	**59.12**	**-**	**10.73**	**-**	**10.73**	**48.39**	**24.56**
Total	**40,963.58**	**25,003.34**	**115.62**	**65,851.30**	**-**	**2,687.10**	**9.29**	**2,677.81**	**63,173.49**	**40,963.58**

(i) For lien / charge against property, plant and equipment refer note 15 and 20.

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Note 3 - Capital work-in-progress	13.89	13,134.82

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Note 4 - Intangible assets under development	20.82	-

Note 5 - Non-current investments

(₹ in Lacs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Qty (in nos)	Amount	Qty (in nos)	Amount	Qty (in nos)	Amount
Investment in equity instruments (valued at cost) (Unquoted, in subsidiary companies)						
(i) Unibev Limited (Formerly known as M/s Uber Blenders & Distillers Limited)	1,278,695	494.63	1,278,695	494.63	50,000	5.00
12,78,695 shares (As at March 31, 2017: 12,78,695 and as at April 01, 2016: 50,000) of Rs. 10 each fully paid up						
(ii) Globus Trade Bay Limited * Nil shares (As at March 31, 2017: Nil and as at April 01, 2016: 10) of AED 1,000 each fully paid up	-	-	-	-	10	1.69
Total investments in subsidiaries (A)		494.63		494.63		6.69
Investment in equity instruments at FVTPL (Unquoted)						
(i) Bank of India Nil shares (As at March 31, 2017: Nil and as at April 01, 2016: 2,900) of ₹10 each fully paid up	-	-	-	-	2,900	2.88
(ii) Catvision Limited Nil shares (As at March 31, 2017; Nil and As at April 01, 2016: 2,500) of ₹ 10 each fully paid up	-	-	-	-	2,500	0.35
Total investments in others (B)		-		-		3.23
Total (A)+(B)		494.63		494.63		9.92
Category wise investments						
Aggregate carrying value of investments at FVTPL		-		-		3.23
Aggregate carrying value of investments at Cost		494.63		494.63		6.69
		494.63		494.63		9.92

* During the year ended March 31, 2017, the subsidiary of the Company, Globus Trade Bay Limited was dissolved with effect from October 12, 2016.

Note 6 - Loans

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non-current			
Loans to related parties (refer note 44)	229.34	-	322.11
Security deposits	608.46	549.48	488.14
Total	837.80	549.48	810.25
(a) Current			
Loan to employees	11.04	4.29	3.39
Security deposits	91.70	96.80	181.98
Total	102.74	101.09	185.37

Note 7 - Others financial assets

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non Current			
Other bank balances - balance held as margin money against guarantee *	1,242.14	2,046.42	2,004.71
Total	1,242.14	2,046.42	2,004.71
(b) Current			
Interest accrued on deposits	101.23	132.17	132.36
Financial assets at Fair value through Profit or loss			
Derivatives designated at fair value - foreign forward contracts	-	5.65	5.25
Total	101.23	137.82	137.61

* Margin for bank guarantees and others

Note 8 - Income tax assets (net)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Tax Assets			
Advance tax including TDS receivable (net of provision of ₹ 5,001.89 lacs as at March 31, 2018, ₹ 4,749.42 lacs as at March 31, 2017 and ₹ 4,686.28 lacs as at April 01, 2016)	319.15	300.40	182.37
Total	319.15	300.40	182.37

Note 9 - Other assets

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non Current			
Capital advances			
Unsecured, considered good	110.19	155.86	3,793.62
Doubtful	1.34	0.56	1.27
	111.53	156.42	3,794.89
Less: Provision for doubtful advances	(1.34)	(0.56)	(1.27)
	110.19	155.86	3,793.62
Advances other than capital advances			
Advances to brand franchisee	150.00	150.00	150.00
Advance towards leasehold land	1,006.48	1,017.20	1,027.94
Balance with government authority *	225.51	3.53	115.43
Prepaid expenses	44.05	46.81	95.69
Total	1,536.23	1,373.40	5,182.68
(b) Current			
Advances to vendors #	67.81	116.51	274.59
Advance towards leasehold land	10.72	10.72	10.72
Balance with government authorities *	57.26	484.02	88.90
Prepaid expenses	632.99	509.03	418.40
Total	768.78	1,120.28	792.61

* includes GST receivable and other receivable

\# Net of provision for doubtful advances ₹ 29.89 lacs (March 31, 2017 of 68.03 lacs, April 01, 2016 ₹ 28.62 lacs)

Note 10 - Inventories *

(valued at lower of cost and net realisable value)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at April 01, 2017	As at April 01, 2016
(a) Raw Materials	1,824.17	1,644.03	469.29
Goods in transit	-	21.50	-
(b) Finished Goods	4,244.04	3,975.53	2,949.47
(c) Packing Material	802.10	751.55	356.96
(d) Fuel, Stores and spares	431.38	390.46	365.63
Total	7,301.69	6,783.07	4,141.35

* For parri passu charge against Inventories note 15 and 20.

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

Note 11 - Current investments

(₹ in Lacs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Qty (in nos)	Amount	Qty (in nos)	Amount	Qty (in nos)	Amount
Investment in units of Mutual Funds at FVTPL (Unquoted) :						
(i) Reliance Money Manager Fund Nil units (As at March 31, 2017: Nil and As at April 01, 2016: 766.35) NAV of ₹ Nil (As at March 31, 2017: Nil and As at April 01, 2016: 7.70 lac)	-	-	-	-	766.35	7.70
Total market value of investments	-	-	-	-	766.35	7.70
Financial assets measured at fair value through profit or loss (FVTPL)	-	-	-	-	766.35	7.70
Total	-	-	-	-	766.35	7.70

Note 12 - Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Secured, considered good	-	-	-
Unsecured, considered good	4,835.13	3,528.85	3,748.29
Unsecured, considered doubtful	38.33	35.74	-
	4,873.46	3,564.59	3,748.29
Less: Provision for doubtful trade receivables	(38.33)	(35.74)	-
Total	4,835.13	3,528.85	3,748.29

(i) For parri passu charge against trade receivables refer note 15 and 20.

(ii) Of the trade receivable, balance as at March 31, 2018 of ₹ 758.66 lacs (March 31, 2017 of ₹ Nil lacs and April 01, 2016 of ₹ Nil lacs) is due from West Bengal State Beverages Corporation Ltd and ₹1,332.32 lacs (March 31, 2017 of ₹ 1,730.90 lacs and April 01, 2016 of ₹ 1,308.49 lacs) is due from Rajasthan State Ganga Sugar Mills, the company's largest customer (see note 43). There are no major customers who represent more than 10% of the total balances of trade receivables.

Age of Receivables	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1-30 days past due	3,930.10	2,717.35	2,940.06
31-60 days past due	288.64	300.34	268.91
61-90 days past due	13.99	11.69	11.53
More than 90 days past due	640.73	535.21	527.79

Movement in the expected credit loss allowance	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning of the year	35.74	-
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	2.59	35.74
Balance at the end of the year	38.33	35.74

Note 13 - Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Cash and cash equivalents			
Cash on hand *	-	43.42	15.57
Balances with banks			
(i) In current accounts	163.09	178.77	611.31
(ii) Others (debit balance in cash credit accounts)	-	7.12	85.56
* Amount less than Rs. 1 lacs			
Total (a)	163.09	229.31	712.44
(b) Bank balances other than (a) above			
Other bank balances			
Deposits kept as margin money	71.01	-	-
Unpaid dividend account	1.33	1.75	1.75
Total (b)	72.34	1.75	1.75

Note 14 - Equity share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount (Rs. In Lacs)	Number of shares	Amount (Rs. In Lacs)	Number of shares	Amount (Rs. In Lacs)
(a) Authorised						
Equity shares of Rs. 10 each with voting rights	35,000,000	3,500.00	35,000,000	3,500.00	35,000,000	3,500.00
Cumulative compulsorily convertible preference shares (CCCPS) of Rs.140 each	5,100,000	7,140.00	5,100,000	7,140.00	5,100,000	7,140.00
	40,100,000	10,640.00	40,100,000	10,640.00	40,100,000	10,640.00
(b) Issued, subscribed and fully paid up						
Equity shares of Rs. 10 each with voting rights	28,799,268	2,879.93	28,799,268	2,879.93	28,799,268	2,879.93
Total	28,799,268	2,879.93	28,799,268	2,879.93	28,799,268	2,879.93

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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Number of shares	Amount (Rs. In Lacs)	Number of shares	Amount (Rs. In Lacs)	Number of shares	Amount (Rs. In Lacs)
Equity shares with voting rights						
Shares outstanding at the beginning of the year	28,799,268	2,879.93	28,799,268	2,879.93	28,799,268	2,879.93
Shares outstanding at the end of the year	28,799,268	2,879.93	28,799,268	2,879.93	28,799,268	2,879.93

(b) Shareholder holding more than 5 percent shares :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Fully paid equity shares with voting rights						
Chandbagh Investments Limited	11,593,045	40.25%	12,130,869	42.12%	12,130,869	42.12%
Templeton Strategic Emerging Markets Fund IV	5,038,168	17.49%	5,038,168	17.49%	5,038,168	17.49%
Mr. Ajay Kumar Swarup	1,619,820	5.62%	1,949,218	6.77%	1,886,561	6.55%
Mr. Anoop Bishnoi	1,619,820	5.62%	1,619,820	5.62%	1,619,820	5.62%

Rights, preferences and restrictions on equity shares:
The Company has only one class of equity shares of Rs. 10 each entitled to one vote per share.

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

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured			
(a) Term loans *			
from banks (refer note (i) below)	14,228.21	17,381.24	15,798.24
(b) Long term maturities of finance lease obligations (refer note (ii) below)			
from banks	107.74	99.04	71.35
from other parties (financial institution)	12.71	23.84	55.36
Total	14,348.66	17,504.12	15,924.95

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

Notes :-

(i) Term loan from YES Bank of ₹ Nil (March 31, 2017 ₹ 225 lacs and April 01, 2016 ₹ 450 lacs) is secured by subservient Charge on entire current assets and movable fixed assets of the Company.

Term loan from HDFC Bank of ₹ 1,675 lacs (March 31, 2017 ₹ 2,475 lacs and April 01, 2016 ₹ 2,725 lacs) is secured by first pari passu charge on all movable fixed assets of the Company and equitable mortgage of factory land & building of both the plants at Behror and Samalkha and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited.

Repayment term :- ₹ 625 lacs repayable in 5 quarterly installment of ₹125 lacs each.
Repayment term :- ₹ 300 lacs repayable in 12 quarterly installment of ₹25 lacs each.
Repayment term :- ₹ 562.50 lacs repayable in 15 quarterly installment of ₹ 37.50 lacs each.
Repayment term :- ₹ 187.50 lacs repayable in 15 quarterly installment of ₹ 12.50 lacs each.

Term loan from Lakshmi Vilas Bank ₹ 5,746.97 Lacs (March 31, 2017 ₹ 6,975 Lacs and April 01, 2016 ₹ 7,376 Lacs) is secured by first pari passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited.

Repayment term :- ₹ 1,500 lacs repayable in 10 quarterly installment of ₹ 150 lacs each.
Repayment term :- ₹ 750 lacs repayable in 6 quarterly installment of ₹ 125 lacs each.
Repayment term :- ₹ 2,400 lacs repayable in 8 quarterly installment of ₹ 300 lacs each starting from November 2019
Repayment term :- ₹ 1,096.97 lacs repayable in 4 quarterly installment of ₹ 275 lacs each starting from November 2021

Term loan from Axis Bank of ₹ 9,706.23 lacs (March 31, 2017 ₹ 9,956.24 lacs and April 01, 2016 ₹ 7,522.24 lacs) is secured by first pari passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal and second pari passu charge by way of extension of charge on all the current assets of the Company and letter of comfort by Chandbagh Investments Limited.

Repayment term :- ₹ 2,750 lacs repayable in 11 quarterly installment of ₹ 250 lacs each.
Repayment term :- ₹ 4,800 lacs repayable in 8 quarterly installment of ₹ 600 lacs each starting from April 2021
Repayment term :- ₹ 1,650 lacs repayable in 3 quarterly installment of ₹ 550 lacs each starting from April 2023
Repayment term :- ₹ 506.23 lacs repayable at once in December 2023.

Above term loans carry interest rate in the range of 10.15% to 11.70% per annum.

(ii) Finance lease obligations from banks of ₹ 107.06 lacs (March 31, 2017 ₹ 99.04 lacs April 01, 2016 ₹ 71.35 lacs) and from financial institution of ₹ 12.41 lacs (March 31, 2017 ₹ 23.84 lacs April 01, 2016 ₹ 55.36 lacs) are secured by hypothecation of respective vehicles.

Repayment term :- Payable on equivalent monthly installments basis, carrying interest rate in the range of 4.33 % to 10.63% per annum.

Note 16 - Other financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current			
Security deposits from customers	164.12	182.49	128.42
Payables towards purchase of fixed assets	558.82	1,051.37	298.65
Current maturities of long-term borrowings	2,900.00	2,250.00	2,275.00
Current maturities of finance lease obligations	45.35	39.23	48.53
Overdrawn book balance	-	0.96	3.59
Interest accrued but not due on borrowings	105.48	27.82	133.13
Other financial liabilities	11.32	-	77.08
Derivatives designated at fair value - foreign forward contracts	2.28	-	-
Total	3,787.37	3,551.87	2,964.40

Note 17 - Provisions

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non-current			
Provision for gratuity (refer note 41)	169.75	142.33	109.53
Total	169.75	142.33	109.53
(b) Current			
Provision for gratuity (refer note 41)	82.31	58.53	61.01
Other provisions	66.14	66.14	110.99
Total	148.44	124.67	172.00

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

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred tax assets	4,067.42	2,932.37	1,920.04
Deferred Tax liabilities	(6,654.33)	(5,320.07)	(4,446.53)
Total	(2,586.92)	(2,387.70)	(2,526.49)
Tax effect of items constituting deferred tax assets			
MAT credit entitlement	2,205.75	1,955.99	1,523.98
Provision for employee benefits	98.57	70.90	66.89
Provision for doubtful debts and advances	24.31	35.91	0.44
Deffered tax assets on loss carry forward	1,738.79	860.94	325.70
Others	-	8.63	3.03
Total	4,067.42	2,932.37	1,920.04
Tax effect of items constituting deferred tax liability			
Property plant & equipment	6,652.81	5,318.76	4,438.72
Others	1.52	1.31	7.81
Total	6,654.33	5,320.07	4,446.53
Deferred tax (liabilities)/ assets (net)	(2,586.92)	(2,387.70)	(2,526.49)

Note 19 - Other liablities

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Non current			
Subsidy received from ministry of new and renewable energy	98.40	36.00	48.00
Import duty grants	173.02	181.84	-
Total	271.42	217.84	48.00
(b) Current			
Advances from customers	254.57	133.72	45.43
Subsidy received from ministry of new and renewable energy	15.20	12.00	12.00
Statutory liabilities	676.96	192.44	210.15
Other liabilities	1,003.50	636.09	30.85
Total	1,950.23	974.25	298.43

Note 20 - Current financial liabilities - Borrowings (at amortised cost)

(₹. in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured borrowings			
Indian currency cash credit*	7249.30	7400.05	7046.26
Overdraft	607.75	-	-
Total	**7857.05**	**7400.05**	**7046.26**

* Working capital demand loan including cash credit of ₹ 7,249.30 lacs (March 31, 2017 ₹ 7,400.05 lacs and April 01, 2016 ₹ 7,046.26 lacs) are from following banks:-

Cash credit from HDFC Bank of ₹ Nil (March 31, 2017 ₹ Nil and April 01, 2016 ₹ 56.01 lacs) is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debt and second pari passu charge by way of extension of charge on all the fixed assets of the Company including equitable mortgage of factory land & building at Behror and Samalkha and corporate guarantee of M/s Chandbagh Investments Limited.

Cash credit from Axis Bank of ₹ 222.12 lacs (March 31, 2017 ₹ 608.43 Lacs and April 01, 2016 ₹ 932.31 lacs) is secured by first pari passu charge by way of hypothecation of all the current assets of the Company and second pari passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal.

Cash credit from State Bank of India of ₹ 5,411.83 lacs (March 31, 2017 ₹ 5,357.69 Lacs and April 01, 2016 ₹ 4,293.31 lacs) is secured by first pari passu charge by way of hypothecation of entire present and future current assets including stocks and book debt and second pari passu charge by way of extension of charge on all the fixed assets of the Company including equitable mortgage of factory land & building at Behror and Samalkha.

Cash credit from Yes Bank of ₹ Nil (March 31, 2017 ₹ Nil and April 01, 2016 ₹ 784.96 lacs) is secured by subservient charge on all the current assets and movable fixed assets of the Company.

Cash credit from Punjab National Bank of ₹ 866.69 lacs (March 31, 2017 ₹ 955.35 Lacs and April 01, 2016 ₹ Nil) is secured by first charge over the entire current assets of the Company 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, Bihar and West Bengal and letter of comfort of M/s Chandbagh Investments Limited.

Cash credit from Lakshmi Vilas Bank of ₹ 748.66 lacs (March 31, 2017 ₹ 478.58 Lacs and April 01, 2016 ₹ 979.67 Lacs) is secured by first parri passu charge by way of hypothecation of all the current assets of the Company and second parri passu charge on all the fixed assets of the Company including equitable mortgage of factory land & building of Behror, Samalkha, Bihar and West Bengal.

Overdraft of ₹ 607.75 lacs is hypothecated against fixed deposits from Axis Bank (March 31, 2017 ₹ Nil and April 01, 2016 ₹ Nil)

Note 21 - Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Outstanding dues to Micro, Small and Medium Enterprises (Refer note 33)	-	-	-
Outstanding dues to parties other than Micro, Small and Medium Enterprises	9,619.55	10,342.04	7,234.68
Total	**9,619.55**	**10,342.04**	**7,234.68**

Note 22 - Tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Tax liabilities			
Provision for taxation (net of advance tax and TDS)	-	-	74.11
Total	**-**	**-**	**74.11**

Note 23 - Revenue from operations

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	**Sale of goods** (including excise duty of ₹ 66,206.19 lacs for the year ended March 31, 2018 and ₹ 33,396.24 lacs for the year ended March 31, 2017)	1,62,420.48	1,09,973.22
(b)	**Rendering of services** Bottling Charges	508.39	598.43
(c)	**Other operating income** Duty drawback and other export incentives	178.91	249.06
	Revenue from operations	**1,63,107.78**	**1,10,820.71**

Note 24 - Other income

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	**Interest income** 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	153.11	268.43
(b)	**Dividend income**	-	0.21
(c)	**Other non-operating income**		
	(a) Gain/(loss) on disposal of property, plant and equipments	(11.88)	(5.61)
	(b) Net foreign exchange gain/(loss)	92.55	104.28
	(c) Others	314.66	108.80
	Total	**548.44**	**476.11**

Note 25 - Cost of material consumed

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials and packing materials		
Opening stock	2,417.08	826.25
Add: Purchases	56,911.27	49,389.95
	59,328.35	**50,216.20**
Less: Closing stock	2,626.26	2,417.08
Cost of materials consumed	**56,702.09**	**47,799.12**

Note 26 - Changes in inventory of finished goods

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Add: Opening stock Finished goods	3,975.53	2,949.47
Less: Closing stock Finished goods	4,244.04	3,975.53
Net (increase) / decrease in inventory of finished goods	**(268.51)**	**(1,026.06)**

Note 27 - Employee benefits expense

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(i)	Salaries and wages, including bonus	2,133.66	1,587.73
(ii)	Contribution to provident fund	68.43	45.60
(iii)	Gratuity expense	57.10	36.19
(iv)	Staff welfare expenses	21.31	22.82
	Total	**2,280.50**	**1,692.34**

Note 28 - Finance cost

(₹ in Lacs)

	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a)	Interest expense on		
	Loans and obligations under finance lease	2,647.02	1,663.39
(b)	Other borrowing costs:-		
	Interest on delayed / deferred payment of income tax	0.18	0.06
	Bank charges	66.41	88.77
	Total	**2,713.61**	**1,752.22**

Note 29 - Depreciation expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment	3,619.09	2,687.10
Total	3,619.09	2,687.10

Note 30 - Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Consumption of enzymes, stores and spare parts and chemicals	2,286.29	1,402.67
Increase / (decrease) of excise cuty on inventory	185.62	49.94
Power and fuel	8,431.92	5,813.03
Bottling expenses/fees	7,666.17	6,533.21
Excise license, establishment and supervision fees	788.16	594.31
Security	165.38	121.66
Effluent disposal	43.54	53.42
Flour and pet coke feeding	356.91	232.68
Rent including lease rentals	262.52	248.03
Repairs and maintenance - buildings	173.95	47.08
Repairs and maintenance - machinery	1,129.58	745.29
Repairs and maintenance - others	83.05	47.18
Insurance	62.13	43.41
Rates and taxes	90.22	28.99
Communication	37.02	35.52
Travelling and conveyance	240.37	184.65
Printing and stationery	15.02	17.23
Freight and handling charges	3,489.07	3,353.22
Business promotion and marketing	273.42	195.77
Donations and contributions	1.28	9.87
Legal and professional	393.19	211.09
Payments to auditors (refer note 37)	53.06	42.61
Subscription books and periodicals	38.93	17.81
Electricity expense	13.16	15.38
Director's sitting fee	4.71	5.04
Business surplus to franchise	4,732.47	2,979.23
Bad trade and other receivables, loans and advances written off	82.38	150.37
Provision for doubtful trade and other receivables, loans and advances (net)	34.93	76.09
Expenditure on corporate social responsibility	10.50	4.00
Miscellaneous expenses	103.85	139.41
Total	31,248.79	23,398.19

Note 31 - Tax expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Current tax		
Current tax expense (under MAT)	255.03	121.51
	255.03	**121.51**
(b) Deferred tax charge / (credit)		
In respect of current year	446.72	293.82
MAT credit recognised for current year	(255.03)	(121.51)
MAT credit recognised related to earlier years	-	(310.50)
Tax adjustments related to earlier years	5.28	-
	196.97	**(138.19)**
Income tax recognised in statement of profit and loss	**452.00**	**(16.68)**
The income tax expense for the year can be reconciled to the accounting profit as follows :-		
Profit before tax	1,154.46	1,597.67
Income tax expense calculated at 34.608% (PY 34.608%)	399.53	552.92
Effect of expenses that are not deductible in determining taxable profit	4.20	4.80
Others	48.27	(0.06)
Mat credit recognised relating to earlier years	-	(310.50)
Impact of additional deduction claimed u/s 32AC(1A)	-	(263.84)
Income tax expense recognised in statement of profit and loss	**452.00**	**(16.68)**
(c) Income tax recognised in other comprehensive income (OCI)		
Arising on income and expenses recognised in OCI		
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit liabilities	6.49	(1.72)
Tax adjustment	(2.25)	0.60
	4.24	**(1.12)**

Note 32 - Contingent liabilities and commitments

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Contingent liabilities			
Claims against the company not acknowledged as debts			
Excise duty matters	180.81	180.81	180.81
Sales tax matter	120.54	120.54	120.54
Income tax and other matters	3.59	69.73	77.81
Guarantees by bank on behalf of Company	278.85	257.15	358.58
	583.79	628.23	737.74
(b) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	74.34	74.57	2,396.12
Total	658.13	702.80	3,133.86

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.

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the year	-	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the year	-	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(vi) 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

The gross amount required to be spent by the Company for CSR expenditure during the year is Rs. 20.03 lacs (previous year Rs. 18.86 Lacs); and the amount spent (already paid for purposes other than construction / acquisition of any asset) is Rs. 10 lacs (previous year Rs. 4 lacs). There were no amount spent for construction / acquisition of any asset.

Note 35 - Disclosure under Ind-AS 17 "Leases"

i) Finance leases:
(a) The Company has taken certain venicles on finance lease. The ownership of such vehicles will get transferred to the Company at the end of lease term. Assets are taken on lease upto a period of 5 years.

(b) The minimum lease rentals and the present value of minimum lease payments in respect of assets acquired under finance leases are as follows:

Minimum lease payments (₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1. Payable not later than 1 year	59.09	54.41	63.97
2. Payable later than 1 year and not later than 5 years	135.23	140.80	151.17
Total	**194.32**	**195.21**	**215.14**

Future interest on outstanding lease payments (₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1. Payable not later than 1 year	12.76	15.18	15.44
2. Payable later than 1 year and not later than 5 years	15.76	17.92	24.46
Total	**28.52**	**33.10**	**39.90**

Present value of minimum lease payments (₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1. Payable not later than 1 year	45.35	39.23	48.53
2. Payable later than 1 year and not later than 5 years	120.45	122.88	126.71
Total	**165.80**	**162.11**	**175.24**

Included in the financial statement (₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of finance lease obligations (note 16)	45.35	39.23	48.53
Non current borrowings (note 15)	120.45	122.88	126.71
Total	**165.80**	**162.11**	**175.24**

ii) Operating leases :
General description of the Company's operating lease arrangements:
"The Company has entered into operating lease arrangements for certain facilities."
Some of the significant terms and conditions of the arrangements are:

- the lease arrangements are non cancellable and are for a period of one year.
- the lease arrangements are generally renewable on the expiry of the lease period subject to mutual agreement;

Future minimum lease payments under non cancellable operating leases are :

(₹ in Lacs)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
- Not later than one year	3.50	2.90	-
- Later than one year and not later than five years	-	-	-
- Later than five years	-	-	-
Total	**3.50**	**2.90**	**-**

(₹ in Lacs)

	Current year	Previous year
Lease rent in respect of the operating leases, charged to the statement of profit and loss for the year :	262.52	237.31

Note 36 - Earning per share

		For the year ended March 31, 2018	For the year ended March 31, 2017
Profit for the year attributable to equity shares	₹ in Lacs	706.70	1,613.23
Weighted average number of equity shares outstanding	Numbers	2,87,99,268	2,87,99,268
Basic earnings per share (face value - ₹ 10 per share)	Rupees	2.45	5.60
Diluted earnings per share (face value - ₹ 10 per share)	Rupees	2.45	5.60

Note 37 - Auditors' remuneration (excluding taxes)

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) To statutory auditors		
For Statutory audit	27.00	26.50
For Other services	23.00	13.50
Reimbursement of expenses	1.64	1.36
	51.64	**41.36**
(b) To cost auditors for cost audit	**1.42**	**1.25**
Total	**53.06**	**42.61**

Note 38 - Financial instruments by categories

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

(₹ in Lacs)

Particular	As at March 31, 2018			As at March 31, 2017			As at April 01, 2016		
	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI
Financial assets									
Investments *									
- Equity investments	-	-	-	-	-	-	-	3.23	-
- Mutual funds	-	-	-	-	-	-	-	7.70	-
Trade receivables	4,835.13	-	-	3,528.85	-	-	3,748.29	-	-
Loans	940.54	-	-	650.57	-	-	995.62	-	-
Cash and cash equivalents	163.09	-	-	229.31	-	-	712.44	-	-
Other bank balances	72.34	-	-	1.75	-	-	1.75	-	-
Other financial assets	1,343.37	-	-	2,184.24	-	-	2,142.32	-	-
Total financial assets	**7,354.47**	**-**	**-**	**6,594.72**	**-**	**-**	**7,600.42**	**10.93**	**-**
Financial liabilities									
Borrowings	22,205.71	-	-	24,904.17	-	-	22,971.21	-	-
Trade payables	9,619.55	-	-	10,342.04	-	-	7,234.68	-	-
Other financial liability	3,787.37	-	-	3,551.87	-	-	2,964.40	-	-
Total financial liabilities	**35,612.63**	**-**	**-**	**38,798.08**	**-**	**-**	**33,170.29**	**-**	**-**

*Investment value excludes investment in subsidiaries of Rs. 494.63 lacs (Rs. 494.63 lacs as at March 31, 2017 and Rs. 6.69 lacs as at April 01, 2016) which are shown at cost in balance sheet as per Ind AS 27 "Separate Financial Statements".

Note 39 - Capital management

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

For the purpose of the Company's capital management, capital includes equity capital, securities premium and all other equity reserves attributable to the equity shareholders.
The Company Risk management committee reviews the capital structure on a quarterly basis. The committee considers the cost of capital and risks associated with the capital.

Gearing Ratio

(₹ in Lacs)

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non current borrowings	15	14,348.66	17,504.12	15,924.95
Current maturities of non current borrowings	16	2,945.35	2,289.23	2,323.53
Current borrowings	20	7,857.05	7,400.05	7,046.26
Less : Cash and cash equivalents	13(a)	163.09	229.31	712.44
Less : Other bank balance	13(a)	72.34	1.75	1.75
Net Debt		24,915.63	26,962.34	24,580.55
Equity share capital	14	2,879.93	2,879.93	2,879.93
Other Equity		35,056.60	34,349.90	32,736.67
Total Capital		37,936.53	37,229.83	35,616.60
Gearing Ratio		1.52	1.38	1.45

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 foreign currency risk, credit risk and liquidity risk."

(a) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company if the counterparty defaults on its obligations.

The Company is exposed to credit risk from its operating activities, primarily trade receivables.
To manage trade receivables, the Company periodically assessess the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.
The Company also makes general provision for lifetime expected credit loss based on its previous experience of write off in previous years.

The movement in the provision for doubtful debts is as under:

(₹ in Lacs)

Particulars	Financial assets
Provision as at April 1, 2016	-
Provision made during the year	40.06
Written off during the year	(4.32)
Provision as at March 31, 2017	**35.74**
Provision made during the year	38.10
Written off during the year	(35.51)
Provision as at March 31, 2018	**38.33**

(b) Liquidity risk management

"(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity)."

(₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Total committed working capital limits from Banks	8,890.00	8,890.00	9,200.00
Utilized working capital limit	7,249.30	7,400.05	7,046.26
Unutilized working capital limit	1,640.70	1,489.95	2,153.74

(ii) Maturitties of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

(₹ in Lacs)

Particulars	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
As at March 31, 2018				
Non-derivatives				
Borrowing *	2,945.35	12,192.43	2,156.23	**17,294.01**
Trade payable	9,619.55	-	-	**9,619.55**
Other financial liabilities	842.03	-	-	**842.03**
Total non-derivatives liabilities	13,406.93	12,192.43	2,156.23	**27,755.59**
As at March 31, 2017				
Non-derivatives				
Borrowing *	2,289.23	12,397.88	5,106.24	**19,793.35**
Trade payable	10,342.04	-	-	**10,342.04**
Other financial liabilities	1,262.64	-	-	**1,262.64**
Total non-derivatives liabilities	13,893.91	12,397.88	5,106.24	**31,398.03**
As at April 01, 2016				
Non-derivatives				
Borrowing *	2,323.53	12,326.71	3,598.24	**18,248.48**
Trade payable	7,234.68	-	-	**7,234.68**
Other financial liabilities	640.87	-	-	**640.87**
Total non-derivatives liabilities	10,199.08	12,326.71	3,598.24	**26,124.03**

* Excludes utilized working capital limited disclosed above in liquidity risk management.

(c) Market risk

"Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprise of three types of risk i.e interest rate risk, foreign currency risk and other price risk.Financial instruments affected by market risk include trade receivables and advances.The Company enters into derivative contracts to manage its exposure to foreign currency risk."

Foreign Currency risk management

Foreign currency risk also known as Exchange Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign currency risk in the Company is attributable to Company's operating activities.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period demoninated in Rupees are as follows :

(₹ in Lacs)

Foreign currency	Assets			Liabilities		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
USD	27.51	276.15	130.41	43.10	165.96	-
Total	27.51	276.15	130.41	43.10	165.96	-

Foreign currency senstivity analysis

The Company is mainly exposed to USD.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupee against the foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary item as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number indicates an increase in profit before tax or vise-versa.

(₹ in Lacs)

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	strenthens by 1%	weakens by 1 %	strenthens by 1%	weakens by 1 %
Impact on profit / (loss) for the year * USD	(0.16)	(0.16)	1.10	(1.10)

* Holding all other variable constant

Forward foreign exchange contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business. The Company manages its foreign currency risk by hedging transactions that are expected to occur within of 2 to 3 months for hedges of forecasted sales. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table details the foreign currency derivatives contracts outstanding at the end of the reporting period :

Outstanding Contracts	No of deals			Foreign Currency (FCY lacs)			Nominal Amount (Rs lacs)		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
USD/INR buy forward	19	2	2	31.98	2.49	1.98	2,089.85	167.22	137.01

* Sensitivity on the above derivatives contracts in respect of foreign currency exposure is insignificant

Note 41 - Employee benefits plans

(a) Defined benefits plans
Gratuity scheme - The Company makes contributions for gratuity for qualifying employees. The scheme provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment.

(₹ in Lacs)

	Gratuity	
	Current year	Previous Year
Movement in the present value of defined benefit obligation (A)		
1. Present value of obligation as at the beginning of the year	200.86	170.54
2. Current service cost	26.35	22.55
3. Past service cost	22.45	-
4. Interest cost	14.80	13.64
5. Actuarial (gain) / losses arising from change in financial assumptions	(5.60)	8.43
6. Actuarial (gain) / losses arising from change in experience adjustments	(0.90)	(6.72)
7. Benefits paid	(5.91)	(7.58)
8. Present value of obligation as at the end of the year	**252.05**	**200.86**
Liability recognized in the financial statement (A-B)	**252.05**	**200.86**
Main actuarial assumption		
Discount rate	7.71%	7.37%
Expected rate of increase in compensation levels	5.50%	5.50%
Mortality rates inclusive of provision for disability (100% of Indian Assured Lives Mortality (IALM) (2006-08):-		
Age upto 30 years	3.00%	3.00%
Age from 31 to 44 years	2.00%	2.00%
Age above 44 years	1.00%	1.00%
Retirement age (years)	58	58

Maturity profile of defined benefit obligation (₹ in Lacs)

Year	Gratuity
0 to 1 year	82.31
1 to 2 year	7.94
2 to 3 year	2.67
3 to 4 year	3.34
4 to 5 year	9.75
5 to 6 year	17.77
6 year onwards	128.27

(₹ in Lacs)

	Gratuity	
	Current year	Previous year
Cost for the period		
1. Current service cost	26.35	22.55
2. Past service cost	22.44	-
3. Net interest cost	14.80	13.64
Total amount recognised in profit or loss	**63.59**	**36.19**
Re-measurements recognised in Other comprehensive income		
1. Actuarial (gain) / losses arising from change in financial assumptions	(5.60)	8.44
2. Actuarial (gain) / losses arising from change in experience adjustments	(0.90)	(6.72)
Total re-measurements included in Other Comprehensive Income	**(6.50)**	**1.72**
Total amount recognised in statement of profit and loss	**57.09**	**37.91**

Note 41 - Employee benefits plans

Sensitivity analysis of the defined benefit obligation
The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

(₹ in Lacs)

Particulars	Gratuity
a) Impact of the change in discount rate *	
Present value of Obligation at the end of the year	252.05
i). Impact due to increase of 0.50%	(7.90)
ii). Impact due to decrease of 0.50%	8.52
b) Impact of the change in salary increase *	
Present value of Obligation at the end of the year	252.05
i). Impact due to increase of 0.50%	8.66
ii). Impact due to decrease of 0.50%	(8.10)

* Holding all other variable constant

(b) **Defined contribution Plans**

"The Company makes contribution towards employees' provident fund for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to these defined contribution schemes.

The Company has recognised for contributions to these plans in the statement of profit and loss as under :"

(₹ in Lacs)

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017
		68.43	45.60
Company's contribution to provident fund	Total	**68.43**	**45.60**

Note 42 - Segment reporting

The Company is engaged in the business of manufacture and sale of Indian Made Indian Liquor (IMIL), Bulk Alcohol and Franchise Bottling. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources in to which they see the performance of the Company. Accordingly, the Company has a single reportable segment.

Note 43 - Information about major customer

Included in revenue are revenues of approximately ₹ 37,651.63 lacs (2016-17 ₹ 27,811.54 lacs) which arose from sales to the company's largest customer (refer note 12) . No other single customer contributed 10% or more to the company's revenue for both 2017-18 and 2016-17.

Note 44 - Related party disclosures under Ind-AS - 24 "Related Party Disclosures"

a) **Subsidiaries:**

Unibev Limited (Formerly known as Uber Blenders & Distillers Limited)

b) **Key managerial personnel and their relatives :**

Key management personnel

Mr. Ajay Kumar Swarup

Mr. Shekhar Swarup

Dr. Bhaskar Roy

Mr. Manik Lal Dutta

Mr. Ajay Goyal

c) Enterprises over which key managerial personnel and / or their relatives exercise significant influence :
Biotech India Limited
Chandbagh Investments Limited
GRAS education and training Services Private Limited
Himalayan Spirits Limited
Globus Spirits (Jharkhand) Limited
Globus Trois Freres India Limited
Globus Feeds Private Limited
V C technologies Private Limited
Northern India Alcohol Sales Private Limited
Rajasthan Distilleries Private Limited
ADL Agrotech Limited (Formerly known as Assocaited Distilleries Limited)

(i) Transactions with related parties : (₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent paid		
Rajasthan Distilleries Private Limited	86.20	76.81
Biotech India Limited	69.14	59.89
ADL Agrotech Limited	6.00	6.00
Expenses reimbursed		
Biotech India Limited	0.15	6.85
GRAS education and training Services Private Limited	1.28	1.29
Loan given		
Unibev Limited (Formerly known as Uber Blenders & Distillers Limited)	230.06	114.00
Commission / Interest income		
Unibev Limited (Formerly known as Uber Blenders & Distillers Limited)	7.73	25.57
Payments made on behalf of		
Unibev Limited (Formerly known as Uber Blenders & Distillers Limited)	-	30.50
Biotech India Limited	0.44	6.85
GRAS education and training Services Private Limited	1.42	1.41
Rajasthan Distilleries Private Limited	-	0.07
Write off / write back made during the year		
Himalayan Spirits Limited	-	1.63
Globus Spirits (Jharkhand) Limited	-	122.87
Investments made/(sold)		
Unibev Limited (Formerly known as Uber Blenders & Distilleries Private Limited)	-	489.63
Globus Trade Bay Limited (upto October 13, 2016)	-	(1.69)

Closing balances with related parties : (₹ in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Particulars			
Balance outstanding as at year end			
Trade payables			
Rajasthan Distillers Private limited	-	-	0.16
Biotech India Limited	-	-	-
Trade receivables			
Biotech India Limited	-	-	7.65
Security deposit given			
ADL Agrotech Limited	418.87	427.54	464.94
Biotech India Limited	-	13.32	13.32
Other receivable / (payable)			
Globus Trois Freres India Limited	0.26	0.26	0.26
Himalayan Spirits Limited	-	0.54	2.17
Globus Spirits (Jharkhand) Limited	-	-	122.87
Globus Trade Bay Limited	-	-	(26.80)
GRAS education and training Services Private Limited	0.26	0.12	-
Loans and advances			
Unibev Limited (Formerly known as Uber Blenders & Distillers Limited) (for the purpose of promoting the business of subsidiary)	229.29	-	322.11

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

(₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Managerial remuneration *		
Mr. Ajay Kumar Swarup	106.33	92.98
Mr. Shekhar Swarup	69.96	68.16
Dr. Bhaskar Roy	49.32	57.81
Mr. Manik Lal Dutta	34.45	36.80
Mr. Vijay Kumar Rekhi	69.00	-
Mr. Ajay Goyal	40.49	39.04

* Category-wise break up of compensation to key management personal (₹ in Lacs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Managerial remuneration		
Short-term benefits	369.55	294.79

Note 45- Fair value hierarchy

Some of the company's financial assets are measured at fair value at the end of each reporting period.
The following table presents fair vale hierachy of financial assets measured at fair value on a recurring basis:

(₹ in Lacs)

	Level 1	Level 2	Level 3	Total
As at Mar 31, 2018				
Financial assets				
Investment in equity instruments at FVTPL	-	-	-	-
Investment in units of Non convertible debentures, Bonds and Mutual funds at FVTPL	-	-	-	-
Total financial assets	-	-	-	-
As at Mar 31, 2017				
Financial assets				
Investment in equity instruments at FVTPL	-	-	-	-
Investment in units of Mutual funds at FVTPL	-	-	-	-
Total financial assets	**-**	**-**	**-**	**-**
As at April 1, 2016				
Financial assets				
Investment in equity instruments at FVTPL	-	3.23	-	3.23
Investment in units of Mutual funds at FVTPL	-	7.70	-	7.70
Total financial assets	**-**	**10.93**	**-**	**10.93**

During the year ended March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfes in to and out of Level 3 fair value measurements.

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 other than quoted prices included within level 1 that are observable for the assets or liability, either directly or indirectly.
Level 3 inputs are unobservable inputs for the assets or liability.

Note 46 (a) - Transition to Ind AS - principle and reconciliations

Overall principleThese are the Company's first financial statement prepared in accordance with Ind AS, accordingly the Company has prepared the opening balance sheet as per Ind AS at of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the exception and certain optional exemptions availed by the Company as detailed below :

A. Mandatory exceptions
Estimates
The estimates as at April 1, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:
(i) Fair value through profit or loss (FVTPL) – unquoted equity shares
(ii) Impairment of financial assets based on expected credit loss modelThe estimates used by the Company to present these amounts are in accordance with the Ind AS which reflects conditions as at April 1, 2016, the date of transition to Ind AS and as at March 31, 2017.

Derecognition of financial assets and financial liabilities
The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after transition date.

Classification and measurement of financial instruments
(I) Financial Instruments: (Security deposits)
Financial assets / liabilities like security deposits has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(II) Impairment of financial assets
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

B. Optional exemptions

Deemed cost for property, plant and equipment and intangible assets
The Company has opted to measure all of its property, plant and equipment and intangible assets at the fair value and use that fair value as its deemed cost.

Investment in equity shares of subsidiaries at deemed cost
The Company has opted to measure its investment in subsidiary at their previous GAAP carrying value in separate financial statement and use that carrying value as deemed cost.

Determining whether an arrangement contains a lease
Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as at the date of transition.

Designate of previously recognised financial instrument
The Company has elected this exemption and opted to designate financial asset at FVTPL as per Ind AS 109 based on facts and circumstances that exist as on transition date.

Reconciliation of Equity

(₹ in Lacs)

Particulars	Note	As at March 31, 2017 (End of last period presented under	As at April 01, 2016 (Date of transition)
Total equity (shareholders' funds) under previous GAAP		**37,256.28**	**36,354.35**
Amortisation of premium on leasehold land	(a)	(28.56)	(17.83)
Processing fee on loan accounted for using effective interest rate	(f)	10.80	22.56
Measurement of equity investments at fair value through profit or loss (FVTPL)	(d)	-	2.69
Gain on derivatives under MTM accounting	(m)	5.65	5.25
Impact of measuring security deposits at amortised cost	(g)	(4.33)	-
Impact of fair valuation of intangible assets *	(c)	(721.65)	(1,443.30)
Impact of fair valuation of tangible assets *	(b)	441.31	40.65
Tax adjustments	(k), (b)	270.33	652.23
Total adjustment to equity		**(26.45)**	**(737.75)**
Total equity under Ind-AS		**37,229.83**	**35,616.60**

* The audit reports dated May 27, 2016 and May 19, 2017 on audited standalone financial statements for the years ended March 31, 2016 and March 31, 2017, respectively were modified and included qualifications in respect of recognition of certain intangible items and impairment of certain plant and machineries as described in Note 11 to the audited standalone financial statements for year ended March 31, 2016 and March 31, 2017. While transitioning to Ind AS, the Company has debited ₹ 2,905.30 lacs (net of deferred tax ₹ 1,537.61 lacs) to retained earnings as at April 01, 2016 (transition date) as prior period adjustments.

Note 46 (b) - First - time Ind - AS adoption

i. Effect of Ind AS adoption on balance sheet

(₹ in Lacs)

Particulars	Note	As at March 31, 2017 (End of last period presented under previous GAAP)			As at April 01, 2016 (Date of transition)		
		Previous GAAP *	Effect of transition to Ind-AS	Ind-AS	Previous GAAP *	Effect of transition to Ind-AS	Ind-AS
I. ASSETS							
1 Non - current assets							
(a) Property, plant and equipment	(a),(b)	63,606.82	(433.33)	63,173.49	41,979.43	(1,015.85)	40,963.58
(b) Capital work-in-progress		13.89	-	13.89	13,134.82	-	13,134.82
(c) Intangible assets	(c)	721.65	(721.65)	-	1,443.30	(1,443.30)	-
(d) Intangible assets under development		20.82	-	20.82	-	-	-
(e) Financial assets							
(i) Investments	(d)	494.63	-	494.63	7.23	2.69	9.92
(ii) Loans	(g)	638.70	(89.22)	549.48	810.25	-	810.25
(iii) Others financial assets		2,046.42	-	2,046.42	2,004.71	-	2,004.71
(f) Income tax assets (net)		300.40	-	300.40	182.37	-	182.37
(g) Other non current assets	(a), (f), (g)	309.39	1,064.01	1,373.40	4,143.94	1,038.74	5,182.68
Total non-current assets		**68,152.72**	**(180.19)**	**67,972.53**	**63,706.05**	**(1,417.72)**	**62,288.33**
2 Current assets							
(a) Inventories		6,783.07	-	6,783.07	4,141.35	-	4,141.35
(b) Financial assets						-	
(i) Other investments		-	-	-	7.70	-	7.70
(ii) Trade receivables		3,528.85	-	3,528.85	3,748.29	-	3,748.29
(iii) Cash and cash equivalents		229.31	-	229.31	712.44	-	712.44
(iv) Bank balances other than (iii) above		1.75	-	1.75	1.75	-	1.75
(v) Loans		101.09	-	101.09	185.37	-	185.37
(vi) Others financial assets	(m)	132.17	5.65	137.82	132.36	5.25	137.61
(c) Other current assets	(a), (f), (g)	1,060.68	59.60	1,120.28	770.13	22.48	792.61
Total current assets		**11,836.92**	**65.25**	**11,902.17**	**9,699.39**	**27.73**	**9,727.12**
TOTAL ASSETS		**79,989.64**	**(114.94)**	**79,874.70**	**73,405.44**	**(1,389.99)**	**72,015.45**
II. EQUITY AND LIABILITIES							
1 Equity							
(a) Equity share capital		2,879.93	-	2,879.93	2,879.93	-	2,879.93
(b) Other equity		34,376.35	(26.45)	34,349.90	33,474.42	(737.75)	32,736.67
		37,256.28	**(26.45)**	**37,229.83**	**36,354.35**	**(737.75)**	**35,616.60**
2 Liabilities							
Non - current liabilities							
(a) Financial liabilities							
(i) Borrowings		17,504.12	-	17,504.12	15,924.95	-	15,924.95
(b) Provisions		142.33	-	142.33	109.53	-	109.53
(c) Deferred tax liabilities (net)	(k)	2,658.03	(270.33)	2,387.70	3,178.73	(652.24)	2,526.49
(d) Other non current liabilities	(e)	36.00	181.84	217.84	48.00	-	48.00
Total non-current liabilities		**20,340.48**	**(88.49)**	**20,251.99**	**19,261.21**	**(652.24)**	**18,608.97**
3 Current liabilities							
(a) Financial liabilities							
(i) Borrowings		7,400.05	-	7,400.05	7,046.26	-	7,046.26
		10,342.04	-	10,342.04	7,234.68	-	7,234.68
(ii) Trade payables		3,551.87	-	3,551.87	2,964.40	-	2,964.40
(iii) Other financial liabilities		974.25	-	974.25	298.43	-	298.43
(b) Other current liabilities		124.67	-	124.67	172.00	-	172.00
(c) Provisions		-	-	-	74.11	-	74.11
(d) Current tax liabilities (net)							
Total current liabilities		**22,392.88**	**-**	**22,392.88**	**17,789.88**	**-**	**17,789.88**
Total liabilities		**42,733.36**	**(88.49)**	**42,644.87**	**37,051.09**	**(652.24)**	**36,398.85**
TOTAL EQUITY AND LIABILITIES		**79,989.64**	**(114.94)**	**79,874.70**	**73,405.44**	**(1,389.99)**	**72,015.45**

* The previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

ii. Effect of Ind-AS adoption on the Statement of profit and loss for the year ended March 31, 2017

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2017 (Latest period presented under previous GAAP) Previous GAAP	Effect of transition	Ind-AS
I Revenue from operations	(i),(l)	78,912.38	31,908.33	1,10,820.71
II Other income	(g),(m)	443.21	32.90	476.11
III **Total revenue (I + II)**		**79,355.59**	**31,941.23**	**1,11,296.82**
IV **Expenses:**				
(a) Cost of materials consumed		47,799.12	-	47,799.12
(b) Changes in inventories of finished goods and work in progress		(1,026.06)	-	(1,026.06)
(c) Excise duty on sale of goods	(i)	-	33,396.24	33,396.24
(d) Employee benefits expense	(h)	1,694.06	(1.72)	1,692.34
(e) Finance costs		1,752.22	-	1,752.22
(f) Depreciation expense	(b),(c)	3,809.40	(1,122.30)	2,687.10
(g) Other expenses	(a),(g),(l)	24,824.10	(1,425.91)	23,398.19
Total expenses (IV)		**78,852.84**	**30,846.31**	**1,09,699.15**
V **Profit before tax (III - IV)**		502.75	1,094.92	1,597.67
VI **Tax expense:**				
(a) Current tax		121.51	-	121.51
(b) Deferred tax	(k)	(520.69)	382.50	(138.19)
		(399.18)	382.50	(16.68)
VII **Profit for the year (V - VI)**		**901.93**	**712.42**	**1,614.35**
VIII **Other comprehensive income (OCI)**				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit liabilities / (asset)	(h)	-	(1.72)	(1.72)
Tax adjustment	(k)	-	0.60	0.60
Total other comprehensive income for the year		-	**(1.12)**	**(1.12)**
IX **Total other comprehensive income for the period**		**901.93**	**711.30**	**1,613.23**

iii. Reconciliation of total comprehensive income for the year ended March 31, 2017

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2017 (Latest period presented under previous GAAP)
Profit as per previous GAAP		**901.93**
Adjustments :		
Amortisation reversal of Know-how and new brand development	(c)	721.64
Depreciation on fair valuation of Property, plant and equipment	(b)	400.66
Amortisation of leasehold land	(a)	(10.72)
Amortisation of upfront fees	(f)	(11.76)
Amortisation of security deposits (net of unwinding income)	(g)	(4.33)
Gain on derivatives under MTM accounting	(m)	0.40
Fair valuation of quoted equity investments	(d)	(2.69)
Contribution to gratuity	(h)	1.72
Deferred Tax	(k)	(382.50)
Total effect of transition to Ind-AS		**712.42**
Profit for the year as per Ind-AS		**1,614.35**
Other comprehensive income for the year (net of tax)	(j)	(1.12)
Total comprehensive income under Ind-AS		**1,613.23**

Note : Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

iv. Effect of Ind-AS adoption on the Statement of cash flows for the year ended March 31, 2017

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2017 (Latest period presented under previous GAAP) Previous GAAP	Effect of transition	Ind-AS
Net cash flows from operating activities	(n)	6,261.21	880.02	7,141.23
Net cash flows from investing activities	(n)	(6,785.47)	(877.39)	(7,662.86)
Net cash flows from financing activities	(n)	41.13	(2.63)	38.50
Net increase (decrease) in cash and cash equivalents		**(483.13)**	**-**	**(483.13)**
Cash and cash equivalents at the beginning of the period		**712.44**	**-**	**712.44**
Cash and cash equivalents at the end of the period		**229.31**	**-**	**229.31**

v. Analysis of cash and cash equivalents as at March 31, 2017 and as at April 1, 2016 for the purpose of statement of cash flows under Ind-AS

(₹ in Lacs)

Particulars	As at March 31, 2017 (End of last period presented under	As at April 1, 2016 (Date of transition)
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	**229.31**	**712.44**
Cash and cash equivalents for the purpose of statement of cash flows under Ind-AS	**229.31**	**712.44**

Note : -

(a) Leasehold land

Under previous GAAP, the leasehold land was considered as part of property, plant and equipment as being long lease, accordingly in the financial year 2016-17 no amortisation was charged. As per Ind AS-17 leasehold land of ₹ 1,056.48 lacs has now been classified as operating lease and the premium paid on leasehold land is amortized over the period of the lease which amounts to ₹ 10.72 lacs in financial year 2016-17. The proportionate unamortized amount of ₹ 17.83 lacs upto the date of transition is adjusted against retained earnings in the opening balance sheet.

(b) Property, plant and equipment

The Company has elected to recognise its Property, plant and equipment (PPE) at fair value as on April 1, 2016 and use that as its deemed cost as of transition date. As on the transition date such fair value adjustment resulted in net increase of PPE by ₹ 40.65 lacs with corresponding increase in retained earnings. Depreciation amounting to ₹ 400.66 lacs in financial year 2016-17 has been adjusted in the statement of profit and loss. The fair value adjustment resulted in increase of freehold land by ₹ 1,543.63 lacs and decrease of other PPE By ₹ 1,502.98 lacs which resulted in deferred tax income of ₹ 160.55 lacs.

(c) Intangible Assets

Under previous GAAP, knowhow and new brand development was being amortised. Under the Ind AS 38, such intangible assets fair valued as at the transition date and accordingly, the intangible assets have been written down to ₹ Nil. Consequently, ₹ 1,443.30 lacs has been charged off from Retained earnings as on the transition date and ₹ 721.64 has been adjustment has been passed for reversal of amortisation booked under Indian GAAP for the year ended March 31, 2017.

(d) Investments

Under the previous GAAP, long term investments were measured at cost less diminuition which is other than temporary. Under Ind AS 40, these financial assets have been classified as FVTPL. On the transition date these financial assets have been measured at their fair value which is greater than the cost as per previous GAAP, resulting in increase in carrying amount by ₹ 2.69 lacs as at transition date with resulting gain adjusted in retained earnings.

(e) Capital subsidy

Under the previous GAAP, Capital subsidy was treated as part of retained earnings treating the same in the nature of Promotor contribution, now under Ind AS 20 the same has been deferred as subsidy received and to be amortised over the period of related property, plant and equipment. The resulting amount for the period ended March 31, 2017 amounting to ₹ 181.84 lacs is treated as deferred liability.

(f) Borrowings

Under previous GAAP, transaction costs incurred in connection with long term borrowings were charged off in the year of borrowing. Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowings as part of interest expense using effective interest rate method. The resulting net impact of ₹ 11.76 lacs is charged in the statement of profit and loss for the year ended March 31, 2017.

(g) Security deposits

Under the previous GAAP, interest free security deposits given were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Difference between the fair value and transaction value of the security deposits has been recognised as prepaid expenses and is amortised over the period of security deposit on straight line basis. Notional interest income on such deposits is recognised over the security period using effective interest method. The resulting net impact of ₹ 4.33 lacs is charged in the statement of profit and loss for the year ended March 31, 2017.

(h) Actuarial gains/losses on defined benefit obligation

Under previous GAAP in respect of defined benefit plan, actuarial gains and losses were recognised in the statement of profit or loss. Under Ind AS, the actuarial gains and losses forming part of re-measurement of the net defined benefit liability / asset is recognised in other comprehensive income. The tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of the statement of profit and loss. There is no impact on the total equity.

(i) Excise duty

Under previous GAAP, revenue from sale of goods was presented net of excise duty under revenue from operations. Whereas, under Ind AS, revenue from sale of goods includes excise duty. The corresponding excise duty expense of ₹ 33,396.24 lacs is presented separately on the face of the statement of profit and loss. The change does not affect total equity as on April 1, 2016 and March 31, 2017 and the profit for the year ended March 31, 2017.

(j) Other comprehensive income

Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expense, gains, or losses are required to be presented in other comprehensive income.

(k) Deferred tax assets / liabilities

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on the various transitional adjustments lead to temporary differences. According to the accounting policies, the company has accounted for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. Such adjustments amounting to ₹ 270.33 lacs as at March 31, 2017 and ₹ 652.24 lacs as at April 01, 2016.

(l) Rebate and discount

Under previous GAAP, rebate and discount was shown under other expenses. However, under Ind AS, sale of goods is presented net of discount of ₹ 1,487.91 lacs. Thus sale of goods under Ind AS has decreased for the year ended March 31, 2017 with a corresponding decrease in other expenses. The change does not affect total equity as on April 1, 2016 and March 31, 2017 and profit for the year ended March 31, 2017.

(m) Recognition of Mark to Market (MTM) gain/loss of foreign forward exchange contracts through profit or loss. (As at April 01, 2016 : ₹ 5.25 lacs and ₹ 5.65 lacs for the year ended March 31, 2017)

(n) The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the Company.

Note 47 - Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 21, 2018.