

Annual Report

**SOM
DISTILLERIES & BREWERIES
ODISHA PRIVATE LIMITED**

for the year ended March-2021

**R.N. Gupta & Associates
Chartered Accountants
Bhopal**

R.N. GUPTA & ASSOCIATES

CHARTERED ACCOUNTANTS

66, NEW MARKET, (1st FLOOR), T.T. NAGAR, BHOPAL-462003

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E-mail: rn_gupta_ca@yahoo.com

INDEPENDENT AUDITOR'S REPORT

to the Members of Som Distilleries & Breweries Odisha Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Loss, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information

The Company's Board of Directors is responsible for the preparation of the Other Information. The Other Information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.



Our opinion on the Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as



fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Government of India in terms of subsection 11 of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

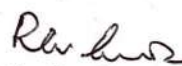


2. As required by subsection 3 of Section 143 of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the Directors as on March 31, 2021 taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2021 from being appointed as a Director in terms of subsection 2 of Section 164 of the Act.
 - f) As per the records of the company, no remuneration has been paid to any Director.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
3. 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, 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 – Refer Note 30 to the Financial Statement;
 - ii. As per the information given to us, the Company does not foresee any losses on any long-term contracts and has therefore not made any provision. We have been informed that the Company has not entered into any derivative contracts;
 - iii. As at 31.03.2021 as per its record, there were no amounts required to be transferred by the company to the Investor Education and Protection Fund.

For **R. N. GUPTA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 001419C

6, New Market (1st Floor),
T.T. Nagar,

Bhopal- 462 003
Dated: 03.06.2021


R.N. Gupta
Proprietor

Membership No. 070590
UDIN No. 21070590AAAABT5801



SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED

Year ended 31.03.2021

Annexure A to the Independent Auditors' Report

(Referred to in Para 1 under 'Report on other Legal and Regulatory Requirements' section of our Report of even date)

- i.
 - (a) As per the information given to us, the Company is reported to have maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) We have been informed that the fixed assets have been physically verified by the Management at the close of the financial year and no discrepancies are reported have been noticed on such verification.
 - (c) As per the records and information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- ii. As per the information given to us the inventory has been physically verified, at reasonable intervals, during the year, by the Management and no material discrepancies are stated to have been noticed.
- iii. As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraph 3(iii) are not applicable.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans and guarantees and security provided by it, to the extent applicable.
- v. According to the information given to us, the Company has not, accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. As per the explanations given to us, the Central Government has not specified maintenance of cost records in respect of the Company's products.
- vii. According to the records of the Company Provident Fund, Employee State Insurance, Sales Tax, State Excise duty, Value Added Tax, cess and other statutory dues have been regularly deposited with the appropriate authorities.

According to the information given to us, no undisputed amounts payable in respect of Provident Fund, Employee State Insurance, Sales Tax, State Excise duty, Value Added Tax, cess and other statutory dues were in arrear as at March 31, 2021 for a period of more than six months from the date they became payable.

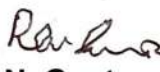
According to the information given to us, there are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs & excise which have not been deposited with the appropriate authorities on account of any dispute.



- viii. As per the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayments of loans or borrowings to any financial institutions or bank or Government or dues to debenture holders, as applicable, as at Balance Sheet date.
- ix. According to the information and explanations given to us the moneys raised by way of term loans have been applied, on an overall basis, for the purpose for which they were obtained. The Company has not raised any moneys by way of initial public offer or any other further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted accounting practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanations given to us and based on our examination of the records, the Company has not paid any managerial remuneration during the year.
- xii. As it is not a Nidhi company and the Nidhi Rules 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act where applicable. The details of related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. Based on our examination of its records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us by the Management, the Company has not entered into any non cash transactions with its Directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **R. N. GUPTA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 001419C

6, New Market (1st Floor),
T.T. Nagar,
BHOPAL 462 003
Dated: 03.06.2021


R.N. Gupta
Proprietor



Membership No. 070590
UDIN No. 21070590AAAABT5801

SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED

Year ended 31.03.2021

Annexure B to Independent Auditors' Report

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

(Referred to in para 2 (f) under 'Report on other Legal and Regulatory Requirements' section of our Report of even date)

We have audited the Internal Financial Controls over financial reporting of **SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED** ("the Company"), as of March 31, 2021, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

1. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under subsection 10 of section 143 of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. 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.
2. 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 standalone Financial Statements, whether due to fraud or error.
3. 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 statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

However, despite it being a less complex Company, for more effective financial controls it needs to:

- a) formally codify the system of internal financial controls,
- b) document operations and effectively monitor controls, and
- c) more effectively segregate duties.

We have considered the matters identified and reported above and they do not affect our opinion on the Financial Statements of the Company.

For **R. N. GUPTA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 001419C

6, New Market (1st Floor),
T.T. Nagar,
BHOPAL 462 003
Dated: 03.06.2021


R.N. Gupta
Proprietor
Membership No. 070590



SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
BALANCE SHEET AS AT 31.03.2021

PARTICULARS	Note	As at 31.03.2021	As at 31.03.2020
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	3	75,28,46,647	73,35,52,432
(b) Capital Work-in-progress		2,17,69,359	-
(c) Financial Assets	4	35,88,536	36,88,536
(2) Current Assets			
(a) Inventories	5	10,45,71,338	13,00,70,856
(b) Financial Assets			
(i) Trade Receivables	6	20,60,86,760	14,20,54,099
(ii) Cash and cash equivalents	7	2,10,61,845	1,11,73,000
(c) Other Current Assets	8	8,11,47,798	10,89,95,896
TOTAL ASSETS		1,19,10,72,283	1,12,95,34,819
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	9	25,01,00,000	25,01,00,000
(b) Other Equity	10	(8,80,74,431)	2,25,93,431
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	28,62,03,400	6,05,94,006
(ii) Other	12	18,00,000	3,00,000
(b) Deferred Tax Liabilities	13	5,46,29,078	54,18,626
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables		12,87,94,762	13,39,54,443
(ii) Other Financial Liabilities	14	54,71,61,989	64,83,64,926
(b) Other Current Liabilities	15	90,71,931	75,83,198
(c) Provisions	16	13,85,554	6,26,189
TOTAL EQUITY AND LIABILITIES		1,19,10,72,283	1,12,95,34,819

As per our Report of even date

For R. N. Gupta & Associates
Chartered Accountants
Firm Registration No: 001419C

R.N. Gupta
R.N. Gupta
(Proprietor)

Membership No. 070590

Bhopal

Dated: 03.06.2021



For and on Behalf of the Board

Deepak Arora
Deepak Arora
(Director)

Alok Arora
Alok Arora
(Director)

SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

STATEMENT OF PROFIT AND LOSS
AND OTHER COMPREHENSIVE INCOME

Particulars	Note	Year Ended	Year Ended
		31.03.2021	31.03.2020
		(Rs.)	(Rs.)
Revenue from operations		94,68,62,554	1,14,01,46,795
Other Income	17	57,16,160	68,22,223
Total Revenue		95,25,78,714	1,14,69,69,018
Expenses:			
Cost of Materials Consumed	18	24,70,48,091	31,71,96,110
Changes in Inventories of Finished Goods and Work in Progress		1,09,99,710	(5,53,66,626)
Excise Duties		53,49,80,129	65,60,55,772
Employees Remuneration & Benefits	19	1,68,68,643	1,76,87,202
Finance Costs	20	93,58,831	89,66,543
Depreciation & Amortisations		2,46,90,167	1,84,41,638
Other Expenses	21	16,91,73,431	15,49,36,306
Total Expenses		1,01,31,19,002	1,11,79,16,945
Profit Before Tax		(6,05,40,287)	2,90,52,073
Tax Expenses:			
Current tax		-	-
Previous Year Taxes		8,73,098	19,530
Deferred Tax		4,92,25,856	54,18,626
Profit/(Loss) for the year		(11,06,39,241)	2,36,13,918
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss in subsequent periods			
Re-measurement of defined benefit plans		(44,025)	-
Income Tax effect on above		15,403	-
Total Comprehensive Income for the year		(11,06,67,863)	2,36,13,918
Earning Per Equity Share:			
(1) Basic		(4.42)	0.94
(2) Diluted		(4.42)	0.94
Significant Accounting Policies	[2]		

As per our Report of even date

For R. N. Gupta & Associates
Chartered Accountants
Firm Registration No: 001419C

R.N. Gupta
(Proprietor)
Membership No. 070590



Bhopal
Dated: 03.06.2021

For and on Behalf of the Board

Deepak Arora
(Director)

Alok Arora
(Director)

SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021
Cash Flow Statement

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Cash flow from operating activities		
Profit before Tax	(6,05,40,287)	2,90,52,073
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation on continuing operations	2,46,90,167	1,84,41,638
Interest Expense	93,58,831	89,66,543
Operating profit before working capital changes	(2,64,91,289)	5,64,60,254
Movements in working capital:		
Decrease/(increase) in inventories	2,54,99,517	(8,56,50,644)
Decrease/(increase) in trade receivables	(6,40,32,661)	(11,95,72,534)
Decrease/(increase) in short term loans	-	24,55,000
Decrease/(increase) in other current assets	2,78,48,098	(37,15,205)
Increase/(decrease) in trade payables	(51,59,681)	10,38,17,556
Increase/(decrease) in other current financial liabilities	(11,18,43,603)	27,29,31,765
Increase/(decrease) in other current liabilities	14,88,733	62,66,459
Increase/(decrease) in short term provisions	7,15,340	6,26,189
Cash generated from/(used in) operations	(15,19,75,545)	23,36,18,841
Direct Taxes Paid (net of refunds)	(8,73,098)	(19,530)
Net Cash flow from/ (used in) operating activities (A)	(15,28,48,643)	23,35,99,311
Cash flow from investing activities		
Purchase of fixed assets	(6,57,53,742)	(21,19,65,668)
Decrease/(increase) in other financial assets	1,00,000	(2,00,000)
Net Cash flow from/ (used in) Investing activities (B)	(6,56,53,742)	(21,21,65,668)
Cash flow from Financing activities		
Borrowings	23,62,50,061	(1,36,53,324)
Increase/(decrease) in other long term liabilities	15,00,000	-
Interest paid	(93,58,831)	(89,66,543)
Net Cash flow from/ (used in) Financing activities (C)	22,83,91,230	(2,26,19,867)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	98,88,845	(11,86,224)
Cash and cash equivalents at the beginning of the year	1,11,73,000	1,23,59,225
Cash and cash equivalents at the end of the year	2,10,61,845	1,11,73,000
Components of cash and cash equivalents		
Cash in hand	85,63,394	53,21,841
With Banks - in current account	1,11,89,769	46,13,119
With Banks - in deposit account	13,08,682	12,38,040
Total Cash and Cash Equivalents	2,10,61,845	1,11,73,000

As per our Report of even date

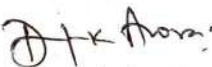
For R. N. Gupta & Associates
Chartered Accountants
Firm Registration No: 001419C


R.N. Gupta
(Proprietor)
Membership No. 070590



Bhopal
Dated: 03.06.2021

For and on Behalf of the Board


Deepak Arora
(Director)


Alok Arora
(Director)

SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED

Year ended 31.03.2021

Statement of Changes in Equity

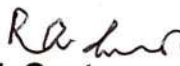
A. Equity Share Capital

Balance as at 31.03.2020	25,01,00,000
Changes during the year	-
Balance as at 31.03.2021	25,01,00,000

B. Other Equity

Particulars	Retained Earnings	Total
Balance as at 31.03.2020	2,25,93,431	2,25,93,431
Total Comprehensive Income for the year	(11,06,67,863)	(11,06,67,863)
Balance as at 31.03.2021	(8,80,74,431)	(8,80,74,431)

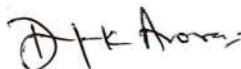
As per our Report of even date
For R. N. Gupta & Associates
Chartered Accountants
Firm Registration No: 001419C


R.N. Gupta
(Proprietor)
Membership No. 070590



Bhopal
Dated: 03.06.2021

For and on Behalf of the Board


Deepak Arora
(Director)


Alok Arora
(Director)

SOM DISTILLEREIS & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

NOTES TO THE FINANCIAL STATEMENTS

1. **COMPANY INFORMATION**

Som Distilleries and Breweries Odisha Private Limited is a private company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company has been set up for the manufacture and sale of Beer. The Company is a wholly owned subsidiary of Som Distilleries & Breweries Ltd.

2. **SIGNIFICANT ACCOUNTING POLICIES**

2.1 **Basis for preparation**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, and the provisions of the Companies Act, 2013 ('Act') to the extent notified. The Ind AS are prescribed under section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereof.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 70 days for the purpose of current/ non-current classification of assets and liabilities.

2.2 **Revenue recognition**

Revenue is recognised to the extent 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 received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the Institute of Chartered Accountants of India ('ICAI'), the Company has assumed that recovery of State excise duty flows to the Company on its own account and hence is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty. However, sales tax/ value added tax (VAT) is not received by the Company on its own account and is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

2.3 **Expenditure**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

D. H. Prasad

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2.4 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Asset class	Useful Life (in years)
<u>Building and civil work</u>	
Roads	10
Labour Quarters	15
Factory Buildings	30
Computer Hardware	3
Electrical Installation	25
Furniture and Fixtures	10
Office Equipment	5
Plant & Machinery	25
Tubwell	5
Vehicles	8

The residual values, useful lives and methods of depreciation and amortization of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Impairment

Non financial assets

Tangible and Intangible assets

Property, plant and equipment and intangible assets with finite life 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 unless the asset does not generate cash flow that are largely independent of those from other assets. In such, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount of the asset (or CGU) is reduced to its recoverable amount. An important loss is recognised in the statement of profit and loss.

2.6 Inventories

Inventories are stated at lower of cost and net realizable value. Costs are arrived at as follows:

- (i) Raw materials, components, packing material, stores and spares on first in first out basis.
- (ii) Stock in process and finished goods taking into account the annual average cost of materials consumed, direct production expenses, interest, depreciation and related Government duties.

Dt. 10/11/2023



Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.7 **Foreign Currency Transactions**

The functional currency of the Company is the Indian rupee (INR). These financial statements are presented in INR.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

2.8 **Retirement and other employee benefits**

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentives and compensated absences.

2.9 **Taxes on Income**

Current income tax

Current income tax liabilities are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

2.10 **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement, if any.

2.11 **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.



2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. These exchange difference are presented in finance cost to the extent which the exchange loss does not exceed the difference between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency.

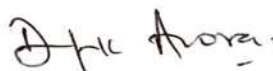
2.13 Earnings per equity share ('EPS')

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet and cash flow statement 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.



SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

[3] **Property, Plant and Equipment**

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 31.03.2020	ADDITION/ (DISPOSAL) DURING 2020-21	AS AT 31.03.2021	Upto 31.03.2020	FOR THE YEAR 2020-21	Upto 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020
LAND & SITE DEVELOPMENT	10,33,94,600	-	10,33,94,600	-	-	-	10,33,94,600	10,33,94,600
BUILDING & CIVIL WORKS	14,45,47,381	3,82,55,830	18,28,03,211	34,33,991	49,57,994	83,91,985	17,44,11,226	14,11,13,390
PLANT & MACHINERY	50,01,41,947	57,21,352	50,58,63,299	1,45,80,710	1,90,08,196	3,35,88,906	47,22,74,393	48,55,61,237
FURNITURE & FIXTURES	2,79,886	-	2,79,886	23,444	26,589	50,034	2,29,852	2,56,442
OFFICE EQUIPMENTS	21,89,516	7,200	21,96,716	3,17,481	5,26,269	8,43,750	13,52,966	18,72,036
VEHICLES	14,40,740	-	14,40,740	86,011	1,71,119	2,57,131	11,83,609	13,54,729
TOTAL	75,19,94,070	4,39,84,383	79,59,78,452	1,84,41,638	2,46,90,167	4,31,31,806	75,28,46,647	73,35,52,432
CAPITAL WOK IN PROGRESS	-	2,17,69,359	2,17,69,359				2,17,69,359	-
GRAND TOTAL							77,46,16,006	73,35,52,432

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SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As At 31.03.2021	As At 31.03.2020
[4] <u>Other Financial Assets</u>		
<u>Security Deposits</u>		
Security Deposit	35,88,536	36,88,536
Total	35,88,536	36,88,536
Note: All the above amounts are unsecured and considered good.		
[5] <u>Inventories</u>		
(as taken, valued and certified by the Management)		
Raw Materials	1,60,51,673	3,31,74,836
Stores, Consumables & Packing Materials	2,36,03,454	2,09,80,099
Stock In Process	1,87,49,121	2,20,74,755
Finished Goods	4,61,67,090	5,38,41,166
Total	10,45,71,338	13,00,70,856
[6] <u>Trade Receivables</u>		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	5,00,749	-
Other Debts	20,55,86,011	14,20,54,099
Total	20,60,86,760	14,20,54,099
[7] <u>Cash and Cash Equivalents</u>		
Cash in hand	85,63,394	53,21,841
<u>Balance With Scheduled Banks</u>		
Current Accounts	1,11,89,769	46,13,119
Deposit Accounts	13,08,682	12,38,040
Total	2,10,61,845	1,11,73,000
[8] <u>Other Current Assets</u>		
Capital Advances	46,45,391	3,49,79,484
Staff Advances	3,61,982	1,33,896
Prepaid Expenses	4,98,61,796	6,29,59,375
Advances to suppliers	2,13,23,292	1,09,23,141
Other Assets	49,55,337	-
Total	8,11,47,798	10,89,95,896

D.K. Arora

[Signature]



SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As At 31.03.2021	As At 31.03.2020
[9] Equity Share Capital		
Authorized		
3,50,00,000 Equity Shares of Rs. 10 each	35,00,00,000	35,00,00,000
Issued, Subscribed and Fully Paid		
2,50,10,000 [Prev Year 2,50,10,000] Equity Shares of Rs.10 each	25,01,00,000	25,01,00,000

Terms/Rights attached to the shares

(a) The Company has only one class of Equity Shares having par value of Rs.10 per share. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the company after the distribution of all preferential amounts, in proportion to their shareholding.

(b) Details of Shareholders holding more than 5% Shares in the Company.

Name of Shareholders	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	%	No. of Shares	%
Som Distilleries & Breweries Ltd.	25010000	100%	25010000	100%

	As At 31.03.2021	As At 31.03.2020
[10] Other Equity		
Surplus - In Statement of Profit & Loss		
Balance as per last Financial Statement	2,25,93,431	(10,20,486)
Add: Comprehensive Income during the year	(11,06,67,863)	2,36,13,918
Balance at the end of the year	(8,80,74,431)	2,25,93,431
Total Reserves & Surplus	(8,80,74,431)	2,25,93,431

D. K. Arora

[Signature]



SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	Non Current		Current Maturities	
	As At 31.03.2021	As At 31.03.2020	As At 31.03.2021	As At 31.03.2020
[11] Borrowings				
Long Term Borrowings				
(i) Secured Loans				
(a) PNB Term Loan	4,59,52,909	5,99,80,629	1,97,81,567	91,39,580
(b) Vehicle Loans	2,50,491	6,13,377	4,00,673	4,01,994
(ii) Unsecured Loans	24,00,00,000	-	-	-
Grand Total	28,62,03,400	6,05,94,006	2,01,82,240	95,41,574

Notes:

- (a) PNB Term Loan is secured by way of corporate guarantee of the Holding Company and personal guarantee of Directors and a Promoter of Holding company and by Collateral Security of Company's additional land at Orissa.
- (b) Vehicle Loan is secured by hypothecation of respective vehicles.

[12] Other Long Term Financial Liabilities		
Security Deposits (Unsecured)	18,00,000	3,00,000
Total	18,00,000	3,00,000

[13] Deferred Tax Liability (Net)		
Difference between depreciation as per books of account and the Income Tax Act 1961.	5,45,71,963	2,91,62,135
Others	5,14,207	5,15,424
Gross Deferred Tax Liability	5,50,86,170	2,96,77,559
Deferred Tax Assets		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis	4,57,092	-
Losses Carried Forward	-	2,42,58,933
Gross Deferred Tax Assets	4,57,092	2,42,58,933
Deferred Tax Liability (Net)	5,46,29,078	54,18,626

Notes:

- (a) Deferred tax assets and Deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities.
- (b) Deferred tax assets and Deferred tax liabilities relate to income taxes levied by the same taxation authority.

[14] Other Financial Liabilities		
Current maturities of long-term borrowing	2,01,82,240	95,41,574
Bank Overdrafts (Book)	28,99,200	14,89,531
Expenses & Other Payable	52,40,80,549	63,73,33,821
Total	54,71,61,989	64,83,64,926

[15] Other Current Liabilities		
Advances from customers	61,78,705	36,60,000
Statutory dues payable	28,93,226	39,23,198
Total	90,71,931	75,83,198

[16] Short Term Provisions		
Employee Benefits	13,85,554	6,26,189
Total	13,85,554	6,26,189

J. K. Anand

[Signature]



SOM DISTILLERIES & BREWERIES ODISHA PRIVATE LIMITED
YEAR ENDED 31.03.2021

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	Year Ended 31.03.2021	Year Ended 31.03.2020
[17] <u>Other Income</u>		
Interest	76,382	28,021
Other Revenues	56,39,778	67,94,202
Total	57,16,160	68,22,223
[18] <u>Cost of Materials consumed</u>		
Opening Stocks	5,41,54,935	2,38,70,917
Add: Purchases	23,25,48,283	34,74,80,128
Less: Closing Stocks	3,96,55,127	5,41,54,935
Cost of Materials Consumed	24,70,48,091	31,71,96,110
[19] <u>Employee Remuneration and Benefits</u>		
Salaries, allowances and bonus	1,49,00,709	1,48,53,550
Employer's contribution to Provident and Other Fund	11,66,150	8,89,809
Staff welfare expenses	8,01,784	19,43,843
Total	1,68,68,643	1,76,87,202
[20] <u>Finance Costs</u>		
Interest to Bank	93,21,685	89,66,543
Interest to Others	37,146	-
Total	93,58,831	89,66,543
[21] <u>Other Expenses</u>		
Power and fuel	1,80,39,846	2,67,47,258
Labour	60,45,645	98,77,013
Rent	5,12,200	5,41,800
<u>Repairs</u>		
Machinery	1,38,33,896	1,52,24,718
Others	2,55,164	18,63,948
Insurance	14,31,523	13,00,977
Rates and taxes (Other than on income)	3,39,03,235	78,28,571
Other Manufacturing Exp	23,32,670	30,27,123
Auditors Remuneration	2,500	2,500
Donations	-	31,611
Travelling & Conveyance	5,30,519	6,27,308
Legal & Professional	16,58,872	24,06,297
Sales promotion	5,79,91,395	5,45,72,024
Advertisement & Publicity	5,310	3,29,141
Freight outward	2,55,70,875	2,16,62,050
Other selling expenses	45,21,742	51,10,964
General expenses	14,39,913	16,12,956
Postage, Telegrams & Telephones	1,32,151	5,26,842
Vehicle Running & Maintenance	9,65,975	16,43,205
Total	16,91,73,431	15,49,36,306

D. H. Anon. [Signature]



Other Notes

22. The Company had sought information and certification from its vendors as to their being a Micro, Small or Medium Enterprise unit under the Micro, Small and Medium Enterprises Development Act, 2006, to comply with the requirements of Law. However, till date replies have been received from very few vendors. Hence, amounts due to Micro, Small Scale Enterprises outstanding as on 31st March, 2021 is not ascertainable. The process of collecting the information from the vendors is currently ongoing.

23. Imports

a) Value of Imports Calculated on CIF Basis (As certified by the Management)	2020-21	2019-20
i) Raw & Packing Materials	54,46,390	1,28,21,971
ii) Components and Spare Parts	14,77,011	4,79,567

24. Consumption of raw material, packing materials, stores, spares consumed. (As certified by the Management)

Particulars	Raw Materials & Packing Materials		Stores & Spares	
	2020-21	2019-20	2020-21	2019-20
Imported				
Percentage	2.44%	4.69%	10.68%	3.15%
Value (Rs)	60,38,085	1,48,76,718	14,77,011	4,79,567
Indigenous				
Percentage	97.56%	95.31%	89.32%	96.85%
Value (Rs)	24,10,10,006	30,23,19,392	1,23,56,806	1,47,45,151
Total	100%	100%	100%	100%
Total	24,70,48,091	31,71,96,110	1,38,33,816	1,52,24,718

25. Contingent Liabilities

	2020-21	2019-20
Guarantees given by Bankers on behalf of the company not provided for	9,53,220	10,64,910

26. The company is engaged in the business of manufacture and sale of Alcoholic beverages which constitutes a single business segment. In view of the above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in Ind AS – 108 are not applicable to the Company.

27. Information as per Ind AS 24: "Related Party Disclosures" is:

a) Related Party

Group Companies	Directors	Others
- Som Distilleries & Breweries Limited - Woodpecker Distilleries and Breweries Private Limited	- Deepak Arora - Alok Arora - Navin Duseja - S. Lal - D.N. Singh	- Som Distilleries Private Limited



b) Transactions with Related Parties

(In Rupees)

Nature of Transactions	Som Distilleries & Breweries Limited	Som Distilleries Private Limited	Woodpecker Distilleries & Breweries Private Limited
Purchases	3,18,77,190	1,94,311	
Sales	1,37,36,670	-	16,82,197
Other transactions	6,27,22,370 Cr	4,56,42,000 Cr	-
Closing Balance	47,54,31,211 Cr	22,71,59,388 Cr	16,36,649 Dr.
Maximum amount outstanding at any time during the year	52,00,82,080 Cr	22,96,59,388 Cr	16,36,649 Dr.

28. Earnings per share in accordance with Ind AS 33 on "Earnings per Share" are given below:

S. No.	Particulars	2020-21	2019-20
a)	Numerator Profit/(Loss) after tax Rs.	(11,06,39,241)	2,36,13,918
b)	Weighted average number of equity shares Nos.	2,50,10,000	2,50,10,000
c)	Basic & Diluted earnings per shares (Rs.)	(4.42)	0.94
d)	Nominal value of shares (Rs.)	10/-	10/-

29. Global Health Pandemic on Covid-19

In March 2020, the World Health Organization had declared Corona virus (COVID-19) to be a pandemic and on March 24, 2020, the Government of India ordered a nationwide lockdown, which got extended in phases across the country.

Due to COVID 19 there was a significant reduction in the economic activity in the country. From May 2020, we resumed our business activities in a phased manner in line with directives issued by the central and state governments. The business operations of the company were severely impacted in particular by the loss of peak season in FY 20-21, interruption of production, disruptions in the supply chain, loss on materials etc.

The industry outlook remains positive yet remains volatile depending amongst others on the future trajectory of the pandemic as well as the state of the economy. The company continues to actively review costs and focus on working capital management. We remain optimistic about the long-term growth drivers of the industry.

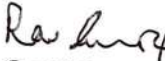
Recently, India has seen a surge in the spread of COVID-19 in India and various state governments have imposed restrictions ranging from lock downs to night/weekend curfews to contain the spread of COVID-19. The impact of COVID-19 pandemic on the overall economic environment continues to be uncertain. The Company will continue to closely monitor the situation and any material changes to future economic conditions.





30. The company's pending litigations pertain to claims and cases occurring in the normal course of business. The company has reviewed its pending litigations and expects that the outcome of the proceedings will not have any material effect on its financial position.
31. Balances standing at the debit or credit in the accounts of various parties are subject to confirmation and reconciliation.
32. Previous year's figures have been regrouped/restated wherever considered necessary to make them comparable to those of the current year.
33. All figures in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest rupee.

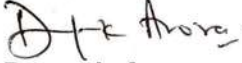
As per our Report of even date
For R. N. Gupta & Associates
Chartered Accountants
Firm Registration No: 001419C


R.N. Gupta
(Proprietor)
Membership No. 070590



Bhopal
Dated: 03.06.2021

For and on Behalf of the Board


Deepak Arora
(Director)


Alok Arora
(Director)