



INDEPENDENT AUDITOR'S REPORT

To
Members of
Som Distilleries & Breweries Limited,
New Delhi

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **M/s Som Distilleries & Breweries Limited, New Delhi** ("the Company"), which comprises the balance sheet as at 31st March 2022, the statement of Profit and Loss (including other comprehensive), the cash flow statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ("the 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, 2022, its **LOSS** including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the following Notes to the accompanying Standalone financial results:

- a) Note 39 regarding management's assessment of the impact of COVID-19 pandemic of the Company's operations for the period ending on 31st March, 2022.
- b) Note No. 41 regarding non availability of the necessary information of outstanding dues to Micro Enterprises and Small Enterprises.

Our opinion is not modified in respect of these matters.

Key audit Matters

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



We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters.

Key audit matters (Refer 2.2 "revenue recognition" of standalone financial statements)	How our audit addressed the key audit matter
<p>Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.</p> <p>Revenue is recognized 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.</p> <p>Based on the Educational Material on Ind AS 115 issued by the Institute of Chartered Accountants of India ("ICAI"), the recovery of 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), goods and services tax are not received by the Company on its own account and are taxes collected on value added to the commodity by the seller on behalf of the government. Accordingly, these are excluded from revenue.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> - Assessed the Company's revenue recognition accounting policy for sale of products. - Understood, evaluated and tested on sample basis the design and operating effectiveness of key internal controls over recognition and measurement of revenue. - Performed test of details on a sample basis and inspected the underlying accounting documents relating to sales accrual. - Tested on a sample basis, sales transactions near year end date. - Performed analytical procedures on revenue. - Assessed the disclosures in the standalone financial statements in respect of revenue for compliance with disclosure requirements.

Other information

The Company's Board of Directors is responsible for 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.



Responsibility of Management and Those Charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub section (5) of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for audit of the standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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 for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we provide "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the said order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet and Statement of Profit and Loss (including other comprehensive), 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 financial statements comply with the Accounting Standards specified under section 133 of the Act, read Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in term of sub-section (2) of section 164 of the Companies Act, 2013.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid/provided to whole time director in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V of the Act. Remuneration (sitting fee) amounting to Rs.6.60 Lakhs for the non-executive directors have been provided as per limits under Schedule V of the Act.
- h) With respect to the other matter to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as amended, in our opinion and to the best of our information and according to explanation given to us:
- (a) There is no pending litigation according to the information provided by the management which impacts the financial position of the Company except those specified in Note No. 33 and Note No. 42 of the standalone financial statements of the Company.
- (b) The company does not have long term contracts including derivative contracts for which there are any material foreseeable losses.
- (c) There have no transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- (d) (i)& (ii) As per the management representation provided to us, which is to their best knowledge and belief, they represented that, other than as disclosed in the notes to the accounts-


"No funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries."; and

"No funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

(iii) Based on the audit procedures performed by us, and on the basis of audit evidences obtained, we have considered reasonable and appropriate in the circumstances, that nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contains any material misstatement.

- (e) The company has not declared or paid dividend during the year.

For AKB Jain & Co
Chartered Accountants
FRN: 003994C


RAHUL DEWANI
(Partner)
M.No:435066



UDIN: 22435066AIPHQI8765

Place: Bhopal
Date: 26.04.2022

ANNEXURE-A

REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT ON EVEN DATE TO THE MEMBERS OF M/S SOM DISTILLERIES & BREWERIES LIMITED

- (i)
- (a)
- (A) The company has maintained reasonable records showing full particulars, quantitative details and situation of Property, Plant & Equipment.
- (B) The Company is maintaining reasonable records showing full particulars of intangible assets.
- (b) According to the information & explanations given to us by the management, the company has a program of verification to cover all the items of Property, Plant & Equipment in a phased manner. In our opinion, which is reasonable having regards to the size of the company & nature of its assets. Pursuant to the program, certain Property, Plant & Equipment were physically verified by the management during the year. According to the information & explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information & explanations given to us by the management, & on examination of the records produced before us, we report that the title deeds comprising all the immovable properties of land & buildings which are freeholds, are held in the name of the company as the balance sheet date.
- (d) According to the information & explanations given to us by the management, the Company has not revalued its Property, Plant and Equipment during the year. Hence, this clause is not applicable.
- (e) According to the information & explanations given to us by the management, no proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act 1988 & Rules made thereunder.
- (ii)
- (a) As per the information and explanation given to us by the management, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification, coverage and procedure of such verification is appropriate. Moreover, as informed to us, no material discrepancies were observed on such physical verification.
- (b) As per the information and explanation given to us by the management, the Company has working capital limit in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. Copies of quarterly statements & returns, furnished to banks have been made available for our verification which have been verified by us on the random sampling basis & found the same in agreement with the books of accounts. Discrepancies noticed during the such verification, were reasonably explained by the management.
- (iii) As per the information and explanation given to us by the management and relevant records, the company has not made any investments and also not provided any loans or advances in the nature of loans or guarantee to companies, firms LLP's or any other Parties during the year. Hence, the sub-clauses (a), (b), (c), (d) and (e) are not applicable.
- (iv) In our opinion, & according to information & explanation given to us, the company has not given any loan or guarantee or has not made investments during the year as covered under sections 185 and 186 of the Act.
- (v) As per the information and explanation given to us by the management and relevant records, the company has not accepted any deposits or amount which are deemed to be deposits, which are in contravention to the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the companies Act and the rules framed there under. Further, no order has been passed



by Company law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) To the best of our knowledge and as explained, the Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of the activities carried on by the Company.

(vii)

(a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employee's State Insurance, Income-tax, Goods and Service Tax, Cess and other statutory dues with the appropriate authorities.

(b) As per the information and explanation given to us, no disputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Goods and Service Tax, Cess and other statutory dues were outstanding, at the year end. However, as per the information and explanation provided to us, there are following pending statutory dispute -

Name of the Statute	Nature of dues	Amount of Demand (In Rs.)	Period to which the amount relates	Forum where dispute is pending.
MP Entry Tax Act, 1976	Entry Tax	37.42	F.Y 2007-08	MP High Court, Jabalpur
MP Entry Tax Act, 1976	Entry Tax	13.95	F.Y 2012-13	Appeal Board Commercial Tax, Bhopal
MP Entry Tax Act, 1976	Entry Tax	9.33	F.Y. 2016-17	Additional Commissioner Appeal, Bhopal
Income Tax Act, 1961	Tax after assessment	23.53	F.Y. 2012-13	CIT (Appeals)
Income Tax Act, 1961	Tax after assessment	53.48	F.Y. 2013-14	CIT (Appeals)
Income Tax Act, 1961	Demand	883.93	F.Y. 2014-15	CIT (Appeals)
Income Tax Act, 1961	Demand	51.39	F.Y. 2015-16	CIT (Appeals)
Income Tax Act, 1961	Demand	21.06	F.Y. 2016-17	CIT (Appeals)
Income Tax Act, 1961	Demand	732.58	F.Y. 2017-18	CIT (Appeals)
Income Tax Act, 1961	Demand	22.38	F.Y. 2018-19	CIT (Appeals)
Income Tax Act, 1961	Demand	197.20	F.Y. 2019-20	CIT (Appeals)

(viii) As per the information and explanation given to us by the management and relevant records, there was no transaction found unrecorded in the books of accounts of the company which have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act 1961.

(ix)




- (a) Based on our audit procedures and on the information, explanations and representation given by the management, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedure, we report that the company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) Based on our audit procedures and on the information and explanations given by the management, the Company have not taken any new term loan during the year.
- (d) According to the information and explanation given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no fund raised on short-term basis, which have been used for long-term purposed by the company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x)
- (a) In our opinion and according to the information and explanations given to us, the company has raised money by way of issue of right shares to existing shareholder during the year for the purpose of meeting working capital requirements. And the company has utilized the money for the purpose for which it was raised.
- (b) The company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, this clause is not applicable.
- (xi)
- (a) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.
- (b) To the best of our knowledge and information with us there is no instance of fraud reportable under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As per information and explanation given by the management there were no whistle blower complaints received by the company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company as defined under section 406 of the Companies Act, 2013. Accordingly, this clause including sub clauses are not applicable.
- (xiii) According to the information and explanation, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
- (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the company issued till date, for the period under audit.



- (xv) According to the information and explanation given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected with them. Hence, provisions of section 192 of the Companies Act, 2013 have not applicable to the company.
- (xvi)
- (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanation given to us the company has not conducted non-banking financial or housing finance activities.
- (c) The Company is not a Core Investment Company, as defined in the regulations made by the Reserve Bank of India. Hence this clause is not applicable.
- (d) This clause is not applicable to the company as it is not Core investment company (CIC).
- (xvii) The company has incurred cash loss during the year amounting to Rs. 184.85 Lakhs. Moreover, the Company has incurred cash losses of Rs. 1234.13 Lakhs of cash loss in immediately preceding Financial Year.
- (xviii) Due to voluntary resignation of the statutory auditors before the end of their tenure, a casual vacancy was occurred and we have communicated with them for the reasons and concerns and have taken into consideration the views expressed by them.
- (xix) According to the information and explanations given to us by management and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities, other information accompanying the financial statement our knowledge of the board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the company and we further state that our reporting is based upon the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The company does not fall within the limits specified under section 135 of Companies Act, 2013. Hence, this clause including sub clause is not applicable.
- (xxi) The reporting under this report is for standalone financial statement of the company. Hence this clause is not applicable.

For AKB Jain & Co
Chartered Accountants
FRN: 003904C


RAHUL DEWANI
(Partner)
M.No:435066



UDIN: 22435066AIPHQI8765

Place: Bhopal
Date: 26.04.2022

ANNEXURE-B

(REFERED IN OUR REPORT OF EVEN DATE)

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)

In conjunction with our audit of the financial statements of **M/s Som Distilleries & Breweries Limited** as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of the Company.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal controls stated in the **Guidance Note on Audit of Internal Financial Controls Over Financial Reporting** issued by the ICAI.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective companies policies, safeguarding the assets of the company, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information's, as required under the Act.

AUDITOR'S RESPONSIBILITY

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 relevant Guidance Note (Audit of Internal Financial Controls Over Financial Controls) and the Standards on Auditing, both, issued by the ICAI and are deemed prescribed under sub-section (10) of the section 143 of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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 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, maintained 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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For AKB Jain & Co
Chartered Accountants
FRN: 003904C

RAHUL DEWANI
(Partner)
M.No:435066



UDIN: 22435066AIPHQI8765

Place: Bhopal
Date: 26.04.2022

SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

BALANCE SHEET AS AT 31.03.2022

(Rs. in Lakhs)

PARTICULARS	Note	As at 31.03.2022	As at 31.03.2021
ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	3	19,770.39	20,569.40
(b) Other Intangible Assets	4	61.87	79.92
(c) Intangible Assets under development		-	2.36
(d) Financial Assets			
(i) Investments	5	7,601.00	7,601.00
(ii) Loans	6	7,191.92	7,191.92
(iii) Security Deposits	7	1,383.69	1,434.45
(e) Other Non- Current Assets	8	791.45	843.86
(2) Current Assets			
(a) Inventories	9	4,470.55	4,046.48
(b) Financial Assets			
(i) Trade Receivables	10	6,155.98	8,288.38
(ii) Cash and cash equivalents	11	706.45	835.67
(iii) Loans	12	-	2,354.31
(c) Current Tax Assets	13	146.18	491.65
(d) Other Current Assets	14	3,527.37	3,480.92
Total Assets		51,806.85	57,220.32
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	3,499.34	3,249.39
(b) Other Equity	16	27,585.98	27,169.42
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	7,179.38	8,283.40
(ii) Other	18	297.36	293.16
(b) Deferred Tax Liabilities	19	304.14	610.39
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	4,368.35	4,520.00
(ii) Trade Payables	21	2,510.60	5,310.44
(iii) Other Financial Liabilities	22	5,431.18	7,198.07
(b) Other Current Liabilities	23	594.04	519.60
(c) Provisions	24	36.48	66.45
Total Equity And Liabilities		51,806.85	57,220.32

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our Report of even date

SOM Distilleries & Breweries Limited
For and on Behalf of the Board

For AKB Jain & Co.
Chartered Accountants
Firm Registration No: 003904C


(v)



J.K. Arora
(Chairman &
Managing Director)
DIN- 00224633


Nakul K Sethi
(Director)
DIN- 06512548

Rahul Dewani
(Partner)
Membership No. 435066




Rajesh Dubey
(Chief Financial
Officer)


Om Prakash
(Company
Secretary)

Place: Bhopal
Dated: 26.04.2022
UDIN :22435066AIPHQI8765

SOM DISTILLERIES & BREWERIES LIMITED
CIN- L74899DL1993PLC052787
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

	Particulars	Note	31.03.2022	31.03.2021
I	Revenue from operations	25	25,053.25	22,669.80
II	Other Income	26	895.48	145.52
III	Total Revenue		25,948.73	22,815.32
	Expenses:			
	Cost of Materials Consumed	27	13,383.65	10,547.17
	Purchase of stock-in-trade		137.36	136.01
	Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(848.95)	(179.15)
	Excise Duties		4,632.50	4,575.37
	Employee Benefit Expense	28	1,145.55	913.81
	Finance Costs	29	921.18	1,171.33
	Depreciation & Amortisations		898.30	572.44
	Other Expenses	30	6,779.74	7,157.37
IV	Total Expenses		27,049.33	24,894.35
V	Profit Before Tax (III-IV)		(1,100.60)	(2,079.03)
VI	Tax Expenses:			
	Current tax			
	Previous Year Taxes		307.85	246.83
	Deferred Tax		(311.21)	(522.24)
VII	Profit/(Loss) for the year (V-VI)		(1,097.24)	(1,803.62)
	Other Comprehensive Income (OCI)			
	Items that will not be reclassified to profit or loss in subsequent periods			
	Re-measurement of defined benefit plans		19.03	(4.30)
	Income Tax effect on above		(4.95)	1.34
	Total Comprehensive Income for the year		(1,083.16)	(1,806.58)
VIII	Earning Per Equity Share:	31		
	(1) Basic		(1.62)	(2.74)
	(2) Diluted		(1.62)	(2.74)
	Significant Accounting Policies	2		

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our Report of even date

For AKB Jain & Co.
Chartered Accountants
Firm Registration No: 003904C

Rahul Dewani
(Partner)
Membership No. 435066



Place: Bhopal
Dated: 26.04.2022
UDIN :22435066AIPHQI8765

SOM Distilleries & Breweries Limited
For and on Behalf of the Board

(2)

J.K. Arora
(Chairman &
Managing Director)
DIN- 00224633

Rajesh Dubey
(Chief Financial
Officer)

Nakul K Sethi
(Director)

DIN- 06512548

Om Prakash
(Company
Secretary)

SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31.03.2022**

(Rs. in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Cash flow from operating activities		
Profit before Tax	(1,100.60)	(2,079.03)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation on continuing operations	898.30	572.44
Interest Expense	921.19	1,171.33
Profit on sale of Fixed Assets	(0.73)	-
Loss on sale of Fixed Assets	50.82	-
Operating profit before working capital changes	768.99	(335.25)
Movements in working capital:		
Decrease/(increase) in inventories	(424.07)	2,466.35
Decrease/(increase) in trade receivables	2,132.39	327.13
Decrease/(increase) in short term loans	2,354.31	1,863.71
Decrease/(increase) in other current assets	269.83	(613.22)
Decrease/(increase) in current tax assets (net)	345.46	(491.65)
Increase/(decrease) in trade payables	(2,799.84)	505.28
Increase/(decrease) in other current financial liabilities	(1,756.02)	1,005.17
Increase/(decrease) in other current liabilities	(311.81)	(954.55)
Increase/(decrease) in short term provisions	(29.97)	12.92
Cash generated from/(used in) operations	549.27	3,785.88
Direct Taxes Paid (net of refunds)	(307.85)	(260.76)
Net Cash flow from/ (used in) operating activities (A)	241.42	3,525.12
Cash flow from Investing activities		
Purchase of fixed assets	(143.43)	(736.48)
Proceeds from sale of fixed assets	14.46	-
Decrease/(increase) in long term loans	-	(3,832.70)
Decrease/(increase) in non current assets	52.41	477.50
Decrease/(increase) in long term financial assets	50.75	52.32
Net Cash flow from/ (used in) Investing activities (B)	(25.80)	(4,039.35)
Cash flow from Financing activities		
Borrowings	(1,104.01)	557.72
Increase/(decrease) in other long term liabilities	4.20	222.16
Proceeds from right shares issue	1,749.67	-
Interest paid	(921.19)	(1,171.33)
Dividend paid	(10.88)	(9.43)
Dividend distribution tax	(62.64)	(100.19)
Net Cash flow from/ (used in) Financing activities (C)	(344.84)	(501.06)
Net increase/(decrease) in cash and cash equivalents	(129.22)	(1,015.30)
Cash and cash equivalents at the beginning of the year	835.67	1,850.97
Cash and cash equivalents at the end of the year	706.45	835.67
Components of cash and cash equivalents		
Cash in hand	12.18	255.72
With Banks - in current account	210.92	88.82
With Banks - in deposit account	483.35	491.13
Total Cash and cash equivalents	706.45	835.67

The accompanying notes are an integral part of the standalone Ind AS financial statements.

As per our Report of even date
For AKB Jain & Co.
Chartered Accountants
Firm Registration No: 003904C

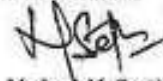
Rahul Dewani
(Partner)
Membership No. 435066




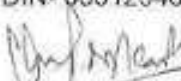
Bhopal
Dated: 26.04.2022
UDIN :22435066AIPHQI8765

SOM Distilleries & Breweries Limited
For and on Behalf of the Board


J.K. Arora
(Chairman &
Managing Director)
DIN- 00224633


Nakul K Sethi
(Director)
DIN- 06512548


Rajesh Dubey
(Chief Financial
Officer)


Omprakash
(Company
Secretary)

SOM DISTILLERIES & BREWERIES LIMITED
CIN- L74899DL1993PLC052787
FOR THE YEAR ENDED 31.03.2022

STATEMENT OF CHANGES IN EQUITY
Equity Share Capital & Other Equity

For the year ended 31st March, 2022

(Rs. in Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus			Other items of Other Comprehensive Income (specify nature)	Total
		Capital Reserve	Securities Premium	Retained Earnings		
Balance at the beginning of the current reporting period	3,249.39	39.30	14,223.99	12,909.09	(2.96)	30,418.80
Right Shares Issued	249.95	-	1,499.72	-	-	1,749.67
Profit and Loss during the year	-	-	-	(1,097.23)	-	(1,097.23)
Re-measurement of defined benefits Plan	-	-	-	-	14.08	14.08
Total Comprehensive Income for the current year	-	-	-	(1,097.23)	14.08	(1,083.15)
Balance at the end of the current reporting period	3,499.34	39.30	15,723.70	11,811.86	11.12	31,085.32

For the year ended 31st March, 2021

(Rs. in Lakhs)

Particulars	Equity Share Capital	Reserves and Surplus			Other items of Other Comprehensive Income (specify nature)	Total
		Capital Reserve	Securities Premium	Retained Earnings		
Balance at the beginning of the current reporting period	3,249.39	39.30	14,223.99	14,712.70	-	32,225.37
Profit and Loss during the year	-	-	-	(1,803.61)	-	(1,803.61)
Re-measurement of defined benefits Plan	-	-	-	-	(2.96)	(2.96)
Total Comprehensive Income for the current year	-	-	-	(1,803.61)	(2.96)	(1,806.57)
Balance at the end of the current reporting period	3,249.39	39.30	14,223.99	12,909.09	(2.96)	30,418.80

As per our Report of even date
For AKB Jain & Co.
Chartered Accountants
Firm Registration No: 003904C

Rahul Dewani
(Partner)
Membership No. 435066

Place: Bhopal
Dated: 26.04.2022



SOM Distilleries & Breweries Limited
For and on Behalf of the Board

J.K. Arora
J.K. Arora
(Chairman &
Managing
Director)
DIN- 00224633

Rajesh Dubey
Rajesh Dubey
(Chief Financial
Officer)

Nakul K Sethi
Nakul K Sethi
(Director)

Om Prakash
DIN-06512548
Om Prakash
(Company
Secretary)

SOM DISTILLEREIS & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING
ON 31.03.2022**

1. COMPANY INFORMATION

SOM Distilleries & Breweries Limited is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on the National Stock Exchange and Bombay Stock Exchange. The Company is engaged in the manufacture and sale of Beer and Indian Made Foreign Liquor (IMFL). The Company is a market leader in Beer in the State of Madhya Pradesh. The Company caters to both domestic and international markets.

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 from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized 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 115 issued by the Institute of Chartered Accountants of India ("ICAI"), the recovery of 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), goods and services tax are not received by the Company on its own account and are taxes collected on value added



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to the commodity by the seller on behalf of the government. Accordingly, these are excluded from revenue.

2.3 Expenditure

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

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)
Building and Civil Work	
Roads	10
Labour Quarters	15
Factory Building	30
Computer Hardware	3
Electrical Installation	25
Furniture and Fixtures	10
Office Equipment	5
Plant & Equipment	25
Tubewell	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 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.

2.6 Impairment

i) Financial Assets (other than at fair value)

The company assesses at each date of balance sheet whether a financial asset or a company of financial assets is impaired. IND AS 109 required expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute of financial transaction. For all other financial asset, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

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ii) **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 recognized in the statement of profit and loss.

2.7 **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.

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.

2.8 **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.

2.9 **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 recognized as an expense during the period when the employees render the services. These benefits include performance incentives and compensated absences.



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Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company has no obligation other than the contribution payable to the Provident Fund.

The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss - Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

2.10 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.

Current income tax relating to items recognized outside profit or loss is also recognised outside profit or loss (either in OCI or in equity in correlation to the underlying transaction). 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.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of business losses and unabsorbed depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against



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which the deductible temporary differences and the carry forward of business losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.11 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.

2.12 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.

2.13 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.



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2.14 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.

2.15 Financial Instruments

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

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of financial asset gave rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Financial asset at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss immediately recognized in statement of profit and loss.

Financial liabilities

Financial liabilities which carry a floating rate of interest are measured at amortised cost using the effective interest method.

Equity Instruments

An equity instrument is a contract that evidences residual interest in the asset of the company after deducting all its liabilities. Equity instrument by the company are recognised at the proceeds received net of direct issue cost



SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

[3] Property, Plant and Equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows:

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2021	Addition During 2021-22	(Disposal) During 2021-2022	As at 31.03.2022	Upto 31.03.2021	Depreciation written back	For the year 2021-22	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
LAND (FREEHOLD) & SITE DEVELOPMENT	176.20	-	-	176.20	-	-	-	-	176.20	176.20
BUILDINGS & CIVIL WORKS	4,157.49	-	-	4,157.49	995.31	-	104.16	1,099.47	3,058.02	3,152.18
PLANT & MACHINERY	21,189.25	138.27	104.10	21,203.42	4,384.34	41.83	669.99	5,012.50	16,190.92	15,784.91
FURNITURE & FIXTURES	58.51	0.20	-	58.71	31.93	-	3.60	35.53	23.18	26.58
OFFICE EQUIPMENTS	182.94	2.60	-	185.54	128.53	-	22.32	150.85	34.69	54.41
VEHICLES	1,039.68	-	45.47	994.21	674.57	43.19	75.45	706.83	287.38	365.11
TOTAL	26,784.07	141.07	149.57	26,775.57	6,214.69	85.02	875.52	7,005.18	19,770.39	20,559.40
CAPITAL WOK IN PROGRESS	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL									19,770.39	20,559.40

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows:

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31.03.2020	Addition During 2020-21	(Disposal) During 2020-21	As at 31.03.2021	Upto 31.03.2020	Depreciation written back	For the year 2020-21	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
LAND (FREEHOLD) & SITE DEVELOPMENT	143.63	32.57	-	176.20	-	-	-	-	176.20	143.63
BUILDINGS & CIVIL WORKS	1,713.36	2,444.10	-	4,157.49	912.27	-	83.04	995.31	3,162.19	801.12
PLANT & MACHINERY	6,745.68	12,423.57	-	21,159.25	4,037.52	-	348.81	4,384.34	16,784.91	4,708.16
FURNITURE & FIXTURES	57.98	0.54	-	58.51	28.12	-	3.81	31.93	28.69	29.86
OFFICE EQUIPMENTS	141.85	41.10	-	182.94	100.37	-	28.15	128.53	54.42	41.47
VEHICLES	1,039.68	-	-	1,039.68	585.54	-	88.04	674.57	365.11	453.14
TOTAL	11,842.20	14,941.87	-	26,784.07	5,664.82	-	549.86	6,214.67	20,569.40	6,177.38
CAPITAL WOK IN PROGRESS	14,207.76	(14,207.76)	-	-	-	-	-	-	-	14,207.76
GRAND TOTAL									20,569.40	20,559.14



R.K.B.

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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

[4] Intangible Assets

The changes in the carrying value of Intangibles Assets for the year ended March 31, 2022 are as follows:

(Rs. in Lakhs)

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK			
	As at 31.03.2021	Addition During 2021-22	(Disposal) During 2021-2022	As at 31.03.2022	Upto 31.03.2021	Amortisation Written back	For the Year 2021-22	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
ERP-COMPUTER SOFTWARES	142.59	4.72	-	147.31	62.66	-	22.77	85.44	61.87	79.92
TOTAL	142.59	4.72	-	147.31	62.66	-	22.77	85.44	61.87	79.92
INTANGIBLE ASSETS UNDER DEVELOPMENT	2.36	(2.36)	-	-	-	-	-	-	-	2.36
GRAND TOTAL									61.87	82.28

The changes in the carrying value of Intangibles Assets for the year ended March 31, 2021 are as follows:

(Rs. in Lakhs)

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK			
	As at 31.03.2020	Addition During 2020-21	(Disposal) During 2020-21	As at 31.03.2021	Upto 31.03.2020	Amortisation Written back	For the year 2020-21	Upto 31.03.2021	As at 31.03.2021	AS AT 31.03.2020
ERP-COMPUTER SOFTWARES	142.59	-	-	142.59	40.08	-	22.59	62.66	79.92	102.51
TOTAL	142.59	-	-	142.59	40.08	-	22.59	62.66	79.92	102.51
INTANGIBLE ASSETS UNDER DEVELOPMENT	-	2.36	-	2.36	-	-	-	-	2.36	-
GRAND TOTAL									82.28	102.51



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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

Note No	Particulars	(Rs. in Lakhs)	
		As At 31.03.2022	As At 31.03.2021
[5]	Investment		
	- Non Current		
	Investment in Subsidiaries - (Unquoted)		
	5,10,00,000 Fully Paid Equity Shares of Rs.10 each in Woodpecker Distilleries & Breweries Private Limited.	5,100.00	5,100.00
	2,50,10,000 Fully Paid Equity Shares of Rs.10 each in Som Distilleries & Breweries Odisha Private Limited	2,501.00	2,501.00
	Total	7,601.00	7,601.00
[6]	Loans		
	- Non Current		
	Loans and Advances to Subsidiaries	7,191.92	7,191.92
	Total	7,191.92	7,191.92
[7]	Other Financial Assets		
	Security Deposits	1,383.69	1,434.45
	Total	1,383.69	1,434.45
	Note: All the above amounts are unsecured and considered good		
[8]	Other Non- Current Assets		
	Capital Advances	791.45	843.86
	Total	791.45	843.86
[9]	Inventories		
	(as taken, valued and certified by the Management)		
	Raw Materials	583.79	495.51
	Stores, Consumables & Packing Materials	1,096.07	1,608.23
	Stock In Process	514.89	515.63
	Finished Goods	2,275.80	1,426.11
	Total	4,470.55	4,046.48
[10]	Trade Receivables		
	Trade Receivables - considered good	6,155.98	8,288.38
	Total	6,155.98	8,288.38

Trade receivables ageing schedule for the year ended as on March 31, 2022

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 year	
Undisputed trade Receivables considered good -	5,834.04	262.63	59.31	-	-	6,155.98
Trade Receivables						6,155.98

Trade receivables ageing schedule for the year ended as on March 31, 2021

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 year	
Undisputed trade Receivables considered good -	7,933.18	289.88	65.32	-	-	8,288.38
Trade Receivables						8,288.38



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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

Note No	Particulars	(Rs. in Lakhs)	
		As At 31.03.2022	As At 31.03.2021
[11]	Cash and Cash Equivalents		
	Cash in hand	12.18	255.72
	<u>Balance With Scheduled Banks</u>		
	Current Accounts	210.92	88.62
	Deposit Accounts	419.90	416.81
	<u>Other Bank Balances</u>		
	Unpaid Dividend Accounts	63.45	74.32
	Total	706.45	835.67
[12]	Loans		
	- Current		
	Advances to Related Parties	-	2,354.31
	Total	-	2,354.31
	Note: All the above amounts are unsecured and considered good.		
[13]	Current Tax Assets		
	Balance with revenue authorities	146.18	491.65
	Total	146.18	491.65
[14]	Other Current Assets		
	Staff Advances	64.93	88.42
	Prepaid Expenses	487.40	696.37
	Advances to suppliers	2,661.28	2,696.13
	Other Assets	313.76	-
	Total	3,527.37	3,480.92

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SOM DISTILLERIES & BREWERIES LIMITED
CIN- L74899DL1993PLC052787
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2021
[15]	Equity Share Capital		
	Authorized		
	8,00,00,000 Equity Shares of Rs. 5/- each	4,000.00	4,000.00
	[Previous year-8,00,00,000 Equity Shares of Rs. 5/- each]		
	Issued, Subscribed and Fully Paid		
	6,00,86,796 Equity Shares of Rs.5/- each	3,499.34	3,249.39
	[Prev Year 6,49,87,738 Equity Shares of Rs.5/- each]		

Par Value Per Share:

The Company has only one class of equity shares having par value of Rs. 5/- each.

Reconciliation of No. of Shares:

Particulars	No. of shares as on 31.03.2022	No. of shares as on 31.03.2021
Opening Balance	84987738	32493669
Add : Issued During the year*	4990058	32493669
Less: Buyback during the year	-	-
Closing Balance	69986796	64987738

***Note-**

For Period ending on 31.03.2022- "The company has allotted equity share pursuant to right issue on 14.02.2022"

For Period ending on 31.03.2021 - "The company has sub-divided its equity share capital from one equity share of Rs. 10/- each to two equity shares of Rs.5/- each w.e.f. the record date i.e. 16.10.2020".

Terms/Rights attached to the shares

The Company has only one class of Equity Shares having par value of Rs.5/- 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.

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

Name of Shareholders	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	%	No. of Shares	%
Sh. Jagdish Kumar Arora	10349509	14.79%	6243322	9.61%
Som Distilleries Private Limited	6835559	9.77%	6346066	9.77%

Shares reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment : NIL

Aggregate number of Bonus Shares issued, Shares issued for consideration other than cash and shares bought back during the period from five years immediately preceding the reporting date - NIL

Terms of conversion of any securities into equity/preference shares :

The company has neither Convertible preference shares nor debentures as on date of financial statement.

Calls unpaid :

As on date there are no unpaid calls are pending for payment. All the issued Equity Shares are fully paid.

Forfeited shares :

No equity shares of the Company have been forfeited.

Shareholding of Promoters

Shares held by promoters at March 31, 2022:

Promoter name	No. of Shares for period ending on 31.03.2022	Percentage of total shares	No. of Shares for period ending on 31.03.2021	Percentage of total shares	Percentage Change during the year
Aalok Deep Finance Private Limited	11,02,200	1.57	11,02,200	1.70	-7.14
Ajay Kumar Arora	14,80,370	2.12	14,80,370	2.26	-7.14
Deepak Arora	1,36,270	0.19	1,36,270	0.21	-7.14
Natasha Arora	2,89,486	0.41	2,89,486	0.45	-7.14
Som Distilleries Private Limited	68,35,559	9.77	63,46,066	9.77	0.02
Sunita Arora	3,07,046	0.44	3,07,046	0.47	-7.14
Surjeet Lal	1,532	0.00	1,532	0.00	-7.14
Sweeta Arora	88	0.00	82	0.00	-0.35
Jagdish Kumar Arora	1,03,49,509	14.79	62,43,322	9.61	53.03
Total	2,06,02,060	29.29	1,59,06,374	24.48	

[16] **Other Equity**

Capital Reserve	39.30	39.30
(Amount forfeited against share warrants)		
Securities Premium Reserve	15,723.70	14,223.99
Surplus - In Statement of Profit & Loss		
Balance as per last Financial Statement	12,906.13	14,712.71
Add: Comprehensive Income during the year	(1,083.18)	(1,806.58)
Balance at the end of the year	11,822.98	12,906.13
Total Reserves & Surplus	27,585.98	27,169.42

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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2021	As At 31.03.2022	As At 31.03.2021
[17]	Borrowings				
		Non Current		Current Maturities	
	Term Loan from Bank				
	(i) Secured Loans				
	(a) Bandhan Bank Ltd	1,474.09	2,038.68	519.46	828.09
	(b) SBI Term Loan	1,663.59	2,183.00	514.42	536.23
	(c) Vehicle Loans (Secured by hypothecation of respective vehicles)				
	From Banks	3.22	6.26	3.16	5.31
	From Others	-	-	-	102.83
	(ii) Unsecured Loans				
	(a) IFCI Venture Capital Funds Ltd	-	-	-	118.77
	(b) Others	4,038.48	4,055.48	-	-
	Grand Total	7,179.38	8,283.40	1,037.04	1,591.23

Notes:

- (a) Loan from Bandhan Banks is secured by way of pari passu charge on factory land & building and plant & machinery.
- (b) Loan from SBI is secured by way of pari passu charge on factory land & building and plant & machinery.
- (c) Interest on vehicle loans varies from 8.95% to 10.75% per annum. Tenor of these loans ranges from 3 to 5 years. Respective vehicles have been hypothecated to the lending institutions to secure their loans. Repayment of these loans is regular as per the fixed equated monthly installments.

[18] Other Non Current Financial Liabilities

Security Deposits (Unsecured)	297.36	293.16
Total	297.36	293.16

[19] Deferred Tax Liability (Net)

Difference between depreciation as per books of account and the Income Tax Act 1961.	2,220.99	1,871.50
Others	-	14.07
Gross Deferred Tax Liability	2,220.99	1,885.57
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	13.77	84.57
Unabsorbed Depreciation & Carried Forward Losses (Refer Note-(a))	1,903.08	1,190.61
Gross Deferred Tax Assets	1,916.85	1,275.18
Deferred Tax Liability (Net)	304.14	610.39

Notes:

- (a) Deferred tax assets are recognized to the extent that it is probable that sufficient taxable profit will be available against which the carried forward losses and unabsorbed depreciation can be utilized.
- (b) 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.
- (c) Deferred tax assets and Deferred tax liabilities relate to income taxes levied by the same taxation authority.



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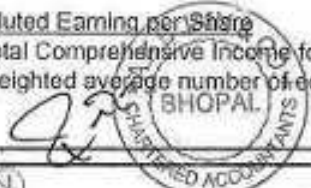

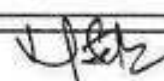
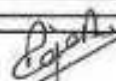
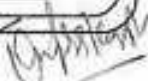
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SOM DISTILLERIES & BREWERIES LIMITED
CIN - I 74899DL1993PLC052787
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2021
[25]	Revenue from Operations		
	Sale of Products (including Excise duty)	25,053.25	22,669.80
	Total	25,053.25	22,669.80
[26]	Other Income		
	Interest	15.02	37.69
	Profit on Sale of Fixed Assets	0.73	-
	Other Revenues	879.73	107.83
	Total	895.48	145.52
[27]	Cost of Materials consumed		
	Opening Stocks	2,104.74	4,750.25
	Add: Purchases	12,958.77	7,901.66
	Less: Closing Stocks	1,679.86	2,104.74
	Total	13,383.65	10,547.17
[28]	Employee Benefit Expense		
	Salaries, allowances & bonus	1,087.12	850.23
	Employer's contribution to Provident & Gratuity Fund	41.88	35.72
	Staff welfare expenses	16.55	27.86
	Total	1,145.55	913.81
[29]	Financial Costs		
	Interest to Bank & FIs	867.64	1,109.10
	Interest to Others	53.54	62.23
	Total	921.18	1,171.33
[30]	Other Expenses		
	Power and fuel	855.69	636.43
	Labour	365.91	198.67
	Rent	54.38	103.98
	Repairs:		
	Buildings	-	5.48
	Machinery	278.51	198.22
	Others	67.03	28.98
	Insurance	53.79	56.90
	Rates and taxes (Other than on income)	1,288.41	1,233.20
	Other Manufacturing Exp	43.10	59.47
	Auditors Remuneration		
	(a) Audit fees	2.28	2.54
	(b) Other Services	-	2.54
	Donations	29.27	12.70
	Corporate Social Responsibility	23.50	69.50
	Travelling & Conveyance	117.06	99.87
	Legal & Professional	240.63	126.72
	Sales promotion	1,375.51	2,010.50
	Advertisement & Publicity	29.68	86.16
	Freight outward	1,437.69	1,270.95
	Other selling expenses	276.09	746.61
	General expenses	154.51	117.98
	Postage, Telegrams & Telephones	21.28	46.83
	Vehicle Running & Maintenance	65.42	43.14
	Total	6,779.74	7,157.37
[31]	Earnings per Share in accordance with IndAS-33 on 'Earning per Share' are given below:		
(a)	Basic Earning per share		
	Total Comprehensive Income for the year	(1,083.16)	(1,806.58)
	Weighted average number of equity shares outstanding	6,69,03,392	6,58,75,591
		(1.62)	(2.74)
(b)	Diluted Earning per Share		
	Total Comprehensive Income for the year	(1,083.16)	(1,806.58)
	Weighted average number of equity shares outstanding	6,69,03,392	6,58,75,591
		(1.62)	(2.74)

SOM DISTILLERIES & BREWERIES LIMITED
CIN- L74899DL1993PLC052787
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2021
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[32] Employees Benefits:

The required disclosures of employees benefits as per Ind AS – 19 are given hereunder:-

(i) In respect of Short Term Employee Benefits:

The Company has at present only the scheme of cumulative benefit of leave encashment payable at the end of each calendar year and the same have been provided for on accrual basis.

(ii) In respect of Defined Benefit Scheme (Based on Actuarial Valuation) of

Gratuity:

Table Showing Changes in Present Value of Obligations:

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Present value of the obligation at the beginning of the period	78.63	75.39
Interest cost	5.70	5.28
Current service cost	8.86	9.84
Past Service Cost	-	-
Benefits paid (if any)	-	(7.64)
Actuarial (gain)/loss	(19.81)	(4.23)
Present value of the obligation at the end of the period	73.38	78.63

Key results:

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Present value of the obligation at the end of the period	73.38	78.63
Fair value of plan assets at end of period	65.90	61.72
	7.47	16.91
Net liability/(asset) recognized in Balance Sheet and related analysis		
Funded Status - Surplus/ (Deficit)	(7.47)	(16.91)

Expense recognized in the statement of Profit and Loss:

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Interest cost	5.70	5.28
Current service cost	8.86	9.84
Past Service Cost	-	-
Expected return on plan asset	(4.47)	(4.58)
Expenses to be recognized in P&L	10.09	10.53

Other comprehensive (income)/expenses (Re-measurement)

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Cumulative unrecognized actuarial (gain)/loss opening, B/F	6.79	11.09
Actuarial (gain)/loss - obligation	(19.81)	(4.23)
Actuarial (gain)/loss - plan assets	0.79	(0.07)
Total Actuarial (gain)/loss	(19.03)	(4.30)
Cumulative total actuarial (gain)/loss C/F	(12.24)	6.79

Table showing changes in the Fair Value of Planned Assets

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Fair value of plan assets at the beginning of the period	61.72	65.41
Expected return on plan assets	4.47	4.58
Contributions	0.50	(0.70)
Benefits paid	-	(7.64)
Actuarial gain/(loss) on plan assets	(0.79)	0.07
Fair value of plan assets at the end of the period	65.90	61.72

Table showing Fair Value of Planned Assets

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Fair value of plan assets at the beginning of the period	61.72	65.41
Actual return on plan assets	3.69	4.85
Contributions	0.50	(0.70)
Benefits paid	-	(7.64)
Fair value of plan assets at the end of the period	65.90	61.72

(*)



SOM DISTILLERIES & BREWERIES LIMITED
CIN- L74899DL1993PLC052787
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2021
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Actuarial Gain/(Loss) on Planned Assets

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Actual return on plan assets	3.69	4.65
Expected return on plan assets	4.47	4.58
Actuarial gain/(loss)	(0.79)	0.07

The assumptions employed for the calculations are tabulated

Period	From 01.04.2021 To 31.03.2022	From 01.04.2020 To 31.03.2021
Discount rate	7.25 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality	IALM 2012-14	IALM 2012-14
Withdrawal rate (Per Annum)	5.00% p.a	5.00% p.a

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant facts.

Funding arrangements and funding policy

The company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the company. Any deficit in the assets arising as results of such valuation is funded by the company

Expected contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year	11.24	12.46
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Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on 31.03.2022
Defined Benefit Obligation (Base)	73.38 @ Salary Increase Rate : 5%, and discount rate : 7.25%
Liability with x% increase in Discount Rate	69.10; x=1.00% [Change (6)%]
Liability with x% decrease in Discount Rate	78.18; x=1.00% [Change 7%]
Liability with x% increase in Salary Growth Rate	78.24; x=1.00% [Change 7%]
Liability with x% decrease in Salary Growth Rate	68.97; x=1.00% [Change (6)%]
Liability with x% increase in Withdrawal Rate	73.72; x=1.00% [Change 0%]
Liability with x% decrease in Withdrawal Rate	72.96; x=1.00% [Change 0%]



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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2021
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[33] Contingent Liabilities

Particulars	2021-22	2020-21
i) Claims against the Company not acknowledged as debts/ disputed		
• Commercial Tax Department	60.71	60.71
• Income Tax Department	1,985.58	1,118.14
ii) Guarantees given by Bankers on behalf of the Company not provided for	1,019.39	790.46
iii) Corporate guarantee given to banks on behalf of others	11,306.00	11,306.00

[34] Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instruments are disclosed.

A. Financial assets and liabilities

The break-up of financial assets and liabilities carried at amortized cost are as follows:

Particulars	March 31, 2022	March 31, 2021
Financial Assets:		
Cash and cash equivalents	706.45	835.67
Trade receivables	6,155.99	8,288.38
Loans	7,191.92	9,546.23
Investments	7,601.00	7,601.00
Other Financial Assets	1,383.69	1,434.45
Total	23,039.05	27,705.73
Financial Liabilities:		
Trade and other payables	2,510.60	5,310.44
Borrowings	11,547.73	12,803.39
Other Financial Liabilities	5,728.54	7,491.24
Total	19,786.88	25,605.07

B. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds unquoted investments in a wholly owned subsidiary.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The senior management reviews and agrees policies for managing each of these risks, which are summarized below.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include deposits, investments and borrowings.

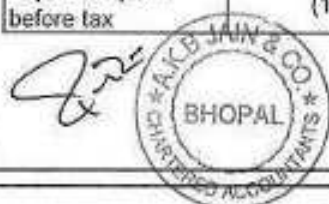
(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates.

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

Particulars	As at 31.03.2022		As at 31.03.2021	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
Impact on profit before tax	(11 Lacs)	11 Lacs	(12 lacs)	12 lacs

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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052767

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. In Lakhs)

Note No	Particulars	As At 31.03.2022	As At 31.03.2022
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(b) Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of Beer and therefore require a continuous supply of Barley. The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The following table shows the effect of price changes in Barley:

Particulars	As at 31.03.2022		As at 31.03.2021	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(16 Lacs)	16 Lacs	(5 lacs)	5 lacs

ii) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and credit worthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the company result in material concentration of audit risk.

ii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings. The table below summarises the maturity profile of the Company's financial liabilities:

As At March 31, 2022	Maturities			Total Carrying Value
	Upto 1 year	1-2 year	> 2 year	
Financial Liabilities:				
Non Current Borrowings	1,037.04	516.00	6,663.39	8,216.43
Current Borrowings	3,331.31	-	-	3,331.31
Trade and other payables	2,510.60	-	-	2,510.60
Other Financial Liabilities	5,431.18	-	297.36	5,728.54
Total	12,310.13	516.00	6,960.75	19,786.88

As At March 31, 2021	Maturities			Total Carrying Value
	Upto 1 year	1-2 year	> 2 year	
Financial Liabilities:				
Non Current Borrowings	1,591.22	1,042.57	7,240.83	9,874.62
Current Borrowings	2,928.77	-	-	2,928.77
Trade and other payables	5,310.44	-	-	5,310.44
Other Financial Liabilities	7,198.08	-	293.16	7,491.24
Total	17,028.51	1,042.57	7,533.99	25,605.07

[35] Information as per Ind AS 24: "Related Party Disclosures" is:

(a) Related Party

Subsidiary Companies	Directors	Others
Woodpecker Distilleries & Breweries Private Limited, Mumbai	J.K. Arora Nakul K. Sethi	Som Distilleries Private Limited
Som Distilleries and Breweries Odisha Private Limited		



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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Note No Particulars As At 31.03.2022 As At 31.03.2022

(b) Transactions with Related Parties

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Woodpecker Distilleries & Breweries Private Limited		
Purchases	-	67.77
Sales	692.62	-
Other transactions	13,82.67 Cr.	14,33.38 Dr.
Net Closing Balance	41,01.85 Dr.	47,91.92 Dr.
Maximum amount outstanding at any time during the year	59,42.26 Dr.	67,66.28 Dr.
Som Distilleries & Breweries Odisha Private Limited		
Purchases	138.18	137.37
Sales	130.40	318.77
Other transactions	29,96.09 Dr.	6,27.22 Dr.
Net Closing Balance	17,48.43 Dr.	47,54.31 Dr.
Maximum amount outstanding at any time during the year	47,54.31 Dr.	52,00.82 Dr.
Som Distilleries Private Limited		
Purchases	574.39	983.25
Sales	19.76	53.86
Other transactions	2,088.74	459.92
Closing Balance	1,81.23 Dr.	17,15.34 Dr.
Maximum amount outstanding at any time during the year	24,70.96 Dr.	31,58.51 Dr.
key managerial personnel		
Remuneration	1,88.67	88.10
Independent Director		
Sitting Fees	6.60	4.50

[36] The company is engaged in the business of manufacture and sale of Alcoholic beverages (Beer and IMFL) which constitutes a single business segment. The company's exports outside India did not exceed the threshold limits for disclosure as envisaged in IndAS 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India. In view of the above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in IndAS - 108 are not applicable to the Company.

[37] Disclosure Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186 of the Companies act, 2013

	2021-22	2020-21
Loans and advances to the subsidiary		
Woodpecker Distilleries & Breweries Private Limited		
Balances as at the year end	4,791.92	4,791.92
Maximum amount outstanding at any time during the year	4,791.92	6,766.29

	2021-22	2020-21
Loans and advances to the subsidiary		
SOM Distilleries & Breweries Odisha Private Limited		
Balances as at the year end	2,400.00	4,754.31
Maximum amount outstanding at any time during the year	4,754.31	5,200.82

[38] **Corporate Social Responsibility (CSR)**

Particulars	2021-22	2020-21
a) Amount required to be spent by the company during the year	23.35	68.83
b) Amount of expenditure incurred	23.50	69.50
c) Shortfall at the end of the year	Nil	Nil
d) Total of previous years shortfall	Nil	Nil
e) Reason for shortfall	NA	NA
f) Nature of CSR activities for the purpose of :	children education and medical aid.	
g) Details of related party transactions	Nil	Nil



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SOM DISTILLERIES & BREWERIES LIMITED

CIN- L74899DL1993PLC052787

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2022

[39] Global Health Pandemic on Covid-19

During the first quarter of the current financial year there was a surge in the spread of COVID-19 in India and various state governments imposed restrictions ranging from curfew / lockdown to contain the spread of COVID19. The impact of COVID 19 has now affected the operations of the company for two consecutive seasons.

The business operations of the Company and its two subsidiaries have been significantly impacted by way of interruption of production, supply chain, since the start of the pandemic.

The impact of COVID-19 pandemic on the overall economic environment continues to be uncertain though there has been a revival in the volumes in this quarter.

The Company will continue to closely monitor the situation and any material changes to future economic conditions.

The outlook for the industry is 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.

[40] Financial Ratio - "Disclosed in 40(i), annexed"

[41] The company has 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, amount due to micro, small scale enterprises outstanding as on March 31st, 2022 is not ascertainable. The process of collecting the information from the vendors is currently ongoing.

[42] The Company's pending litigations pertain to claim 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 positions.

[43] Balances standing at the debit or credit in the accounts of various parties are subject to confirmation and reconciliation.

[44] Previous year's figures have been regrouped/ restated wherever considered necessary to make them comparable to those of the current year.

[45] All figures in the Balance Sheet, Profit & Loss Account and Schedules have been rounded off to the nearest rupee in lakhs.

As per our Report of even date
For AKB Jain & Co
Chartered Accountants
Firm Registration No: 003904C




Rahul Dewani
(Partner)
Membership No. 435066

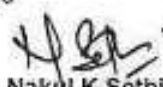


Bhopal
Dated: 26.04.2022

SOM Distilleries & Breweries Limited
For and on Behalf of the Board


J.K. Arora
(Chairman &
Managing Director)
DIN- 00224633


Rajesh Dubey
(Chief Financial Officer)


Naku K Sethi
(Director)

DIN- 06512548

Om Prakash
(Company Secretary)