INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

SARTHAK BLENDERS & BOTTLERS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of **SARTHAK BLENDERS & BOTTLERS PRIVATE LIMITED** ("herein referred to as Subsidiary Company"), which comprise the balance sheet as at **March 31, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

Basis for Opinion

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

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

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

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is no material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

a. 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.

b. 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

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d. 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.

VIPIN NAGAR & CO.
CHARTERED ACCOUNTANT
MEERUT

e. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and
(ii) To evaluate the effect of any identified misstatements in the Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

1. The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the 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 purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt dealt with by this Report are in agreement with the relevant books of account.

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable herewith.

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

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

i. As reported by the company, it does not have any pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For VIPIN NAGAR & CO.
Chartered Accountants
FRN: 05171C

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

(VIPIN NAGAR)
Partner
M.NO. : 074041
UDIN : 20074041AAAAFE9962

Date : 05.09.2020
Place : Meerut

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sarthak Blender & Bottler Private Limited of even date)

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

   (b) These fixed assets have been physically verified by the management reportedly at reasonable intervals and there were no Material discrepancies noticed on such verification.

   (c) Total Assets of company includes Immovable property also and the title deeds of immovable properties are held in the name of the company.

2. Physical verification of inventory has been conducted at reasonable intervals by the management and there is no material discrepancies noticed as reported by the management.

3. According to the Information and Explanation given to us the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

   (a) All terms and conditions are as per the benefits of company and are not prejudicial to the company's Interest.

   (b) Schedule of repayment of principal and interest has been stipulated and receipts are regular.

   (c) There is no such amount which is overdue more than 90 Days of above-mentioned loan.

4. In our opinion & According to the information and explanation given to us in respect of loans, investments, guarantees, and security all mandatory provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. The company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause 3 (v) of the order are not applicable to the company.

6. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Thus reporting under clause 3 (vi) of the order is not applicable.

7 (a) The company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

   (b) Dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been deposited and as submitted by the company there is no dispute pending as on date on the part of company.

8. The company has not taken any loans or borrowings from financial institution, Bank and government or has not issued any debenture. Hence reporting under clause 3(viii) of the order is not applicable to the company.

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

9. The company doesn't raise any money by way of initial public offer or further public offer (including debt instruments). Hence reporting under clause 3(ix) of the order is not applicable to the company.

10. As reported by the management, neither company has done any fraud nor by its officers or employees so nothing to be disclosed separately.

11. The provisions of section 197 read with Schedule V to the Companies Act are not applicable to the Company.

12. The company is not a Nidhi Company hence reporting under clause 3(xii) of the order is not applicable to the company.

13. In our opinion and according to the information and explanation given to us, the company is in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards;

14. During the year, the company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the order is not applicable to the company.

15. In our opinion and according to the information and explanation given to us, during the year the company has not entered into any non-cash transactions with directors or persons connected to its directors and hence provision of section 192 of the companies act, 2013 are not applicable to the company.

16. The company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

For VIPIN NAGAR & CO.
Chartered Accountants
FRN: 05171C

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

(VIPIN NAGAR)
Partner
M.NO. : 074041

Date : 05-09-2020

Sarthak Blenders And Bottlers Private Limited

Balance Sheet as at 31 March 2020

(Rs. in lakhs)

	Particulars	Notes	As at 31 March 2020	As at 31 March 2019
	ASSETS			
I	**Non-current assets**			
	Property, plant and equipment	4	283.22	302.48
	Deferred tax assets (net)	5	6.94	6.05
	Total non-current assets		**290.16**	**308.52**
II	**Current assets**			
	Financial assets			
	(i) Trade receivables	6	82.65	33.53
	(ii) Cash and cash equivalents	7	40.28	29.21
	(iii) Loans	8	-	20.16
	(iv) Other financial assets	9	242.74	152.63
	Current tax assets (net)	10	1.98	0.05
	Other current assets	11	218.07	161.94
	Total current assets		**585.72**	**397.51**
	TOTAL ASSETS		**875.88**	**706.03**
	EQUITY AND LIABILITIES			
III	**Equity**			
	Equity share capital	16	52.21	52.21
	Other equity	12	(493.13)	(329.58)
			(440.92)	**(277.37)**
	Total equity		**(440.92)**	**(277.37)**
	Liabilities			
IV	**Non-current liabilities**			
	Financial liabilities			
	(i) Borrowings		-	-
	Long-term provisions		-	-
	Other liabilities		-	-
	Total non-current liabilities		**-**	**-**
V	**Current liabilities**			
	Financial liabilities			
	(i) Trade payables	13		
	Dues of micro and small enterprises		-	-
	Dues of creditors other than micro and small enterprises		1.36	53.04
	(ii) Other financial liabilities	14	904.42	687.65
	Other current liabilities	15	411.02	242.71
	Total current liabilities		**1,316.80**	**983.40**
	TOTAL EQUITY AND LIABILITIES		**875.88**	**706.03**
	Summary of significant accounting policies	3		

The accompanying notes 1 to 32 form an integral part of the financial statements.

This is the balance sheet referred to in our report of even date.

For VIPIN NAGAR & CO.
Chartered Accountants
Firm Registration No: 05171C

VIPIN NAGAR CHARTERED ACCOUNTANT MEERUT

VIPIN NAGAR
(Partner)
Membership No. 074041

Place : Meerut
Date: 05-09-2020

For and on behalf of the Board of Directors

RATAN LAL JAIN
(Director)
DIN: 00030299

ARUN BARIK
(Director)
DIN: 07130542

Sarthak Blenders And Bottlers Private Limited
Statement of Profit and Loss for the year ended 31 March 2020

(Rs. in lakhs)

Particulars	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Revenue			
Revenue from contract with customers - Bottling charges	17	80.24	7.56
Other income	18	1.76	0.57
Total revenue		**82.00**	**8.13**
Expenses			
Employee benefits expense	19	90.54	15.91
Finance costs	20	-	4.27
Depreciation and amortisation expenses	21	31.76	32.99
Other expenses	22	124.15	50.80
Total expenses		**246.45**	**103.98**
Total loss before tax		**(164.45)**	**(95.85)**
Tax expense			
(i) Current tax	23	-	-
(ii) Deferred tax expense		(0.89)	(0.03)
		(0.89)	**(0.03)**
Net loss after tax from continuing operations		**(163.55)**	**(95.82)**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss		-	-
Remeasurement of the employee benefits			
Income tax relating to these items			
Items that will be reclassified to profit or loss, net of tax		-	-
Other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive income for the year		**(163.55)**	**(95.82)**
Earnings per equity share:	28		
Basic and diluted (in Rs.)		(31.33)	(18.35)
* The amount is lower than Rs. lakhs			
Summary of significant accounting policies	3		

The accompanying notes 1 to 32 form an integral part of the financial statements.

This is the statement of profit and loss referred to in our report of even date.

For VIPIN NAGAR & CO.
Chartered Accountants
Firm Registration No: 05171C

VIPIN NAGAR CHARTERED ACCOUNTANT MEERUT

VIPIN NAGAR
(Partner)
Membership No. 074041

Place : Meerut
Date: 05-09-2020

For and on behalf of the Board of Directors

RATAN LAL JAIN
(Director)
DIN: 00030299

ARUN BARIK
(Director)
DIN: 07130542

Sarthak Blenders And Bottlers Private Limited
Statement of Changes in Equity for the year ended 31 March 2020

a) Equity share capital

(Rs. in lakhs)

Particulars	Number of shares	Total
Issued, subscribed and paid up:		
As at 31 March 2018	**5,22,100.00**	**52.21**
Add: Shares Issued during the year	-	-
As at 31 March 2019	**5,22,100.00**	**52.21**
Add: Shares Issued during the year	-	-
As at 31 March 2020	**5,22,100.00**	**52.21**

b) Other equity

(Rs. in lakhs)

Particulars	Surplus in the statement of profit and loss	Total
Balance as at 31 March 2018	**(233.76)**	**(233.76)**
Loss for the year	(95.82)	(95.82)
Balance as at 31 March 2019	**(329.58)**	**(329.58)**
Loss for the year	(163.55)	(163.55)
Balance as at 31 March 2020	**(493.13)**	**(493.13)**

* The amount is lower than Rs. lakhs

The accompanying notes 1 to 32 form an integral part of the financial statements.

This is the statement of changes in equity referred to in our report of even date.

For VIPIN NAGAR & CO.
Chartered Accountants
Firm Registration No: 05171C

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

VIPIN NAGAR
(Partner)
Membership No. 074041

Place : Meerut
Date: 05-09-2020

For and on behalf of the Board of Directors

RATAN LAL JAIN
(Director)
DIN: 00030299

ARUN BARIK
(Director)
DIN: 07130542

Sarthak Blenders And Bottlers Private Limited
Cash Flow Statement for the year ended 31 March 2020

	Year ended 31 March 2020	(Rs. in lakhs) Year ended 31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before tax	**(164.45)**	**(95.85)**
Adjustments for :		
Depreciation/Amortisation	31.76	32.99
Adjustment to reserves and surplus	-	(0.03)
Operating profit before working capital changes	**(132.69)**	**(62.89)**
Adjustments for working capital:		
(Increase)/Decrease in inventories	-	(222.95)
(Increase)/Decrease in trade receivable	(49.12)	(364.84)
(Increase)/Decrease other assets assets	(146.24)	(12.83)
(Decrease)/Increase in other liabilities and provisions	385.08	252.37
(Decrease)/Increase in trade and other payables	(51.68)	566.65
Cash generated from operating activities	**5.35**	**155.51**
Direct taxes paid (net)	(1.91)	0.03
Net cash generated from operating activities	**3.44**	**155.54**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Puchase of property plant and equipment	(12.52)	(20.21)
Loans received back	20.16	-
Net cash generated from / (used in) investing activities	**7.64**	**(20.21)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Borrowings	-	
Repayment of Long Term Borrowings	-	(107.89)
Net cash used in financing activities	**-**	**(107.89)**
Net increase / (decrease) in cash and cash equivalents	**11.08**	**27.46**
Opening balance of cash and cash equivalents	29.21	1.75
Closing balance of cash and cash equivalents	**40.28**	**29.21**
Components of cash and cash equivalents:		
Cash on hand	0.09	0.01
Balances with banks in current accounts:		
- in current accounts	4.65	6.22
- in Fixed Deposits (original maturity period less than 3 months)	35.54	22.98
Cash and cash equivalents (Refer note 7)	**40.28**	**29.21**

The accompanying notes 1 to 32 form an integral part of the financial statements.

This is the cash flow statement referred to in our report of even date.

For VIPIN NAGAR & CO.
Chartered Accountants
Firm Registration No: 05171C

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

VIPIN NAGAR
(Partner)
Membership No. 074041

Place : Meerut
Date: 05-09-2020

RATAN LAL JAIN
(Director)
DIN: 00030299

ARUN BARIK
(Director)
DIN: 07130542

Sarthak Blenders & Bottlers Private Limited

Notes to the Standalone financial statements for the year ended 31 March 2020

Summary of significant accounting policies and other explanatory information

1. Company information

Sarthak Blenders & Bottlers Private Limited ("the Company") is a private limited company incorporated and domiciled in India. The address of its registered address is 394-C, Lamington Chambers near Naaz Cinema, Lamington Road 400004... It is incorporated under the Companies Act, 1956. The Company is engaged in the business of manufacture and sale of Alcoholic Beverages.

2. Significant accounting policies

a. Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') and Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value measured at fair value.

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 Schedule III of Companies Act, 2013.

b. Revenue recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers, at an amount that reflects the consideration expected to be received by the company in exchange for those products or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

i. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

ii. ii. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

iii. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from bottling charges

Revenue is recognised when performance obligation is satisfied i.e. on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

c. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of Impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

d. Income tax

Income tax expense comprises Current tax expenses and net change in the deferred tax assets or liabilities during the year. Current and deferred taxes are recognised in the Statement of profit and loss, except when they relate to item that are recognised in Other comprehensive income or directly in Equity, in which case, the current and deferred tax are also recognised in Other comprehensive income or directly in Equity respectively.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is recognised using Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of an assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of recognition.

Deferred tax asset is recognised to the extent that sufficient taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable sufficient taxable profit will be available to allow or part of deferred income tax assets to be utilised. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefit in the form of availability of setoff against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the assets can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

e. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

f. Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment

g. Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

• those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and

• those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in so profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when

• The company has transferred the rights to receive cash flows from the financial asset or

• retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

h. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

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i. Property plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

The cost of property, plant and equipment which are not ready for their intended use before such date, are disclosed as capital work-in-progress.

Depreciation / Amortisation:

Depreciation is charged on written down value method as prescribed in Schedule II of the Companies Act, 2013 keeping a residual value of assets at 5% of the original cost, except in case of computers residual value is estimated at 1% of the original cost.

Capital Costs in respect of upgradation of leased premises has been amortized over the initial lease period or its useful lives whichever is lower.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

j. Borrowings

Borrowings are initially recognised at fair value (net of transaction costs incurred). Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of profit and loss over the period of the borrowings using the effective interest method. Subsequently all borrowings are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit or loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

k. Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in statement of Profit or Loss in the period in which they are incurred.

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l. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m. Ind AS 116 'Leases'

Company as a lessee

The Company assesses whether a contract contains lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i. the contract involves the use of an identified asset

ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii. the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a lease term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the fixed lease payments including variable lease payments that depend on an index or a rate. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate of the company.

The Company does not enter into any leases as a lessor.

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n. Standards issued but not effective

Ministry of Corporate Affairs (MCA) has on 24 July 2020 amended the Companies (Indian Accounting Standards) Rules, 2015. The key amendments have been made in the following:

Ind AS - 103 Business combinations

The amendment relates to change in definition of business, the entity shall apply the same to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1st April 2020 and to asset acquisitions that occur on or after the beginning of that period.

The Company does not expect any impact of the amendment on its financial statements.

Ind AS 107 – Financial Instruments: Disclosures

The amendment pertains to hedging relationships to which an entity applies due to which an entity has to disclose the below –

i. the significant interest rate benchmarks to which the entity's hedging relationships are exposed;

ii. the extent of the risk exposure the entity manages that is directly affected by the interest rate benchmark reform;

iii. how the entity is managing the process to transition to alternative benchmark rates;

iv. a description of significant assumptions or judgements the entity made in applying these paragraphs (for example, assumptions or judgements about when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows); and

v. the nominal amount of the hedging instruments in those hedging relationships.

The Company does not expect any impact from this amendment.

Ind AS 109 – Financial Instruments

The amendments relate to temporary exceptions from applying specific hedge accounting requirements, the same are applicable from annual periods beginning on or after the 01 April 2020.

The Company does not expect any impact from this amendment.

Ind AS 116 - Leases

The amendments pertain to concessions in rent due to COVID-19 pandemic and only if all the conditions below are met –

i. the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

ii. Any reduction in lease payments affects only payments originally due on or before the 30th June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before the 30th June 2021 and increased lease payments that extend beyond the 30th June 2021); and

iii. There is no substantive change to other terms and conditions of the lease

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The Company does not expect any impact from this amendment.

Ind AS 1 – Presentation of Financial Statements

The definition of the term 'material' has been changed. The same is effective for annual reporting periods from on or after 01 April 2020.

The Company does not expect any impact from this amendment.

Ind AS 10 – Events occurring after Reporting period

An entity shall disclose the following for each material category of non-adjusting event after the reporting period –

a) The nature of the event; and

b) An estimate of its financial effect, or a statement that such an estimate cannot be made.

The same is effective 01 April 2020

The Company does not expect any material impact from this amendment.

o. Impact of COVID-19 pandemic

Based on the facts and circumstances existing as of the Balance sheet date, the Company does not anticipate any material uncertainties which affect its liquidity position and also its ability to continue as a going concern. The management of the Company will continue to monitor any material changes to its COVID-19 impact assessment, resulting from the future economic conditions and future uncertainty, if any.

3. Critical estimates and judgements

The preparation of financial statements in conformity with Ind AS requires estimates and assumptions to be made by the Management of the Company that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Examples of such estimates include the useful life of property, plant and equipment, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans, provision for inventory obsolescence, impairment of investments/assets, etc.

i) Property, plant and equipment:

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.

ii) Income Tax:

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the standalone financial statements.

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iii) Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

iv) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) Impairment of non-financial assets:

The carrying amounts of assets are reviewed at each Balance Sheet date to assess whether there is any indication that an individual asset / group of assets (constituting a Cash Generating Unit) may be impaired. If there is any indication of impairment based on internal / external factors i.e. when the carrying amount of the assets exceed the recoverable amount, an impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favorable change in the estimate of the recoverable amount. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

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4 **Property, plant and equipment**

(Rs. in lakhs)

Particulars	Freehold land	Building	Plant and Machinery	Office Equipment	Furniture and Fixtures	laboratory Equipments	Total
Gross block							
As at 31 March 2018	91.95	135.79	200.22	-	20.85	-	448.81
Additions	-	-	18.45	1.65	0.11	-	20.21
Deductions	-	-	-	-	-	-	-
As at 31 March 2019	91.95	135.79	218.67	1.65	20.96	-	469.02
Additions	-	1.56	9.74	-	1.23		12.53
Adjustment*	-	-	(7.23)	1.18	0.35	5.70	(0.00)
Deductions	-	-	(0.04)	-	-	-	(0.04)
As at 31 March 2020	91.95	137.36	221.14	2.83	22.54	5.70	481.52
Accumulated depreciation							
As at 31 March 2018	-	35.48	84.57	-	13.50	-	133.55
Depreciation charge	-	9.52	21.27	0.03	2.17	-	33.00
Deductions	-	-	-	-	-	-	-
As at 31 March 2019	-	45.00	105.85	0.03	15.68	-	166.55
Depreciation charge	-	8.41	17.32	0.85	2.71	2.47	31.76
Adjustments*	-	0.00	0.02	0.04	(0.06)	-	0.00
Deductions	-	-	(0.02)	-	-	-	(0.02)
As at 31 March 2020	-	53.41	123.17	0.92	18.33	2.47	198.29
Net block							
Balance as at 31 March 2019	91.95	90.80	112.83	1.62	5.28	-	302.48
Balance as at 31 March 2020	91.95	83.95	97.98	1.92	4.21	3.23	283.22

* During the year, the Company has conducted physical verification of their tangible assets, based on physical verification report the Company has reclassified certain asset into different classes.

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5 Deferred tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax asset arising on account of :		
Difference between book depreciation and depreciation as per Income Tax Act, 1961	6.94	6.05
Total deferred tax assets	**6.94**	**6.05**

6 Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured - Considered good	82.65	33.53
Credit impaired	-	-
Less: Provision for expected credit loss	-	-
Total	**82.65**	**33.53**

7 Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.09	0.01
Balances with banks		
- in current accounts	4.65	6.22
- in Fixed Deposits (original maturity period less than 3 months)	35.54	22.98
Total	**40.28**	**29.21**

FD kept on lien or pledged as security with government authorities

8 Current loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Montage Enterprise Pvt Ltd	-	0.07
Roorkee Traders and Advisors	-	0.18
Sandeep Gupta	-	19.91
Total	**-**	**20.16**

9 Other current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Due under tie up contracts	242.68	152.63
Claims receivable	0.06	-
Total	**242.74**	**152.63**

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10 Current tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
TDS receivable	1.98	0.05
Total	**1.98**	**0.05**

11 Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Capital Advances	-	4.84
Advance to vendors	10.57	
Balance with statutory authorities	39.96	64.81
Excise Duty	167.54	92.29
Total	**218.07**	**161.94**

12 Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Surplus in the statement of profit and loss	(493.13)	(329.58)
Total	**(493.13)**	**(329.58)**

Nature and purpose of reserves

(i) Surplus in the statement of profit and loss

Retained earnings pertain to the accumulated earnings made by the Group over the years.

Surplus in the statement of profit and loss

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year (Profit & loss)	(329.58)	(233.76)
Add: Profit/(Loss) for the Year	(163.55)	(95.82)
Balance at the end of the year	**(493.13)**	**(329.58)**

13 Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Dues of micro and small enterprises	-	-
Dues of creditors other than micro and small enterprises (Trade payables)	1.36	53.04
Total	**1.36**	**53.04**

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14 Other current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Creditors for expenses	7.15	36.51
Provision for expenses	7.07	5.80
Due to related party	889.20	644.59
Audit Fee Payable	1.00	0.75
Total	**904.42**	**687.65**

15 Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Statutory dues payable		
-TDS Payable	0.20	0.28
-TCS Payable	1.91	4.50
-VAT Payable	30.17	73.15
-IGST Reverse Charge	0.02	0.35
-GST Payable	-	0.05
-Education Cess Payable	3.61	8.78
-Pratifal Cess Fees Payable	2.56	-
Trade advances	-	6.59
Exise duty provision	372.55	145.12
Others	-	3.89
Total	**411.02**	**242.71**

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16 Equity share capital

(Rs. in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised share capital		
13,00,000 (31 March 2019 - 13,00,000) Equity Shares of Rs 10 each (31 March 2019 - Rs 10 each)	130.00	130.00
Issued, subscribed and fully paid up		
5,22,100 (31 March 2019 - 5,22,100) Equity Shares of Rs 10 each (31 March 2019 - Rs 10 each)	52.21	52.21
Total	**52.21**	**52.21**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
Equity shares	No. of shares	(Rs. in lakhs)	No. of shares	(Rs. in lakhs)
Balance as at the beginning of the year	5,22,100.00	52.21	5,22,100.00	52.21
Add: Shares Issued during the year	-	-	-	-
Balance outstanding at the end of the year	**5,22,100.00**	**52.21**	**5,22,100.00**	**52.21**

(b) Shareholders holding more than 5% of the equity shares in the Company

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	% of holding	Number of shares	% of holding
Allied Blenders And Distillers Private Limited (Includes the 2100 Shares held by Satya Prakash Choudhary jointly held with Allied Blenders and Distillers Private Limited and for which a Beneficial interest declaration in favour of Allied Blenders And Distillers Private Limited filed ith ROC under section 89 of Companies Act, 2013)	5,22,100.00	100.00%	5,22,100.00	100.00%
Total	**5,22,100.00**	**100.00%**	**5,22,100.00**	**100.00%**

(d) Rights, preferences and restrictions attached to each class of shares:

The Company has two class of shares equity a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share.

The Company declares and pays dividends in Indian Rupees. The dividend declared by the Board of Directors are subject to the approval of the shareholders in the Annual General Meeting except the case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during five years immediately preceding 31 March 2020.

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17 Revenue from contracts with customer

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Bottling Charges	80.24	7.56
Revenue from contracts with customer	80.24	7.56

18 Other income

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest on Deposits (measured at amorised cost) with Bank	1.73	0.23
Interest on Income Tax Refund	0.00	0.34
Miscellaneous Income	0.02	-
Total	**1.76**	**0.57**

19 Employee benefits expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, Wages and Bonus	89.85	15.76
Staff Welfare Expenses	0.69	0.15
Total	**90.54**	**15.91**

20 Finance costs

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest on financial liabilities measured at amortised cost	-	3.97
Bank Charges	-	0.30
Total	**-**	**4.27**

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21 Depreciation expenses

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation expenses	31.76	33.00
Total	**31.76**	**33.00**

22 Other expenses

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Power & Fuel Electricity	4.47	2.00
Repair and maintenance		
-Repair for Building	-	2.17
-Repairs Maintenance Charges Of Plant and Machinery	0.05	3.08
-Repair others	7.88	1.01
Freight	0.80	5.43
Administrative and General Expenses	-	0.04
License Fees	66.60	21.25
Printing & Stationery	0.88	0.05
Rates and Taxes	11.55	1.90
Ground Rent	-	10.00
Audit Fees - Statutory Audit	1.00	0.75
Travelling and Conveyance	2.14	0.22
Legal Fees	0.28	0.93
Professional Fees	8.96	-
Security Expenses	17.33	1.21
Testing and Trial Expenditure	0.59	0.18
Breakage & Shortage written off	0.00	-
Postage & Courier	0.09	0.06
Office expenses	-	0.08
Overtime Permission Charges	0.34	0.08
Books Periodicals	0.01	0.01
Other Expenses	0.73	0.22
Miscellaneous Expenses	0.46	0.13
Total	**124.15**	**50.80**

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23 Tax expense

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Current tax expense		
Current tax for the year	-	
Excess provision in respect of earlier year		
Total current tax expense	-	-
Deferred taxes		
Change in deferred tax assets	0.89	0.03
Change in deferred tax liabilities	-	-
Net deferred tax expense	**0.89**	**0**
Total income tax expense	**0.89**	**0**

23.1 The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit and loss is as follows for 31 March 2019 and 31 March 2018:

(Rs. in lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit before income tax expense	(164.45)	(95.85)
Income tax expense	(42.76)	(29.90)
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
Deferred Tax assets not created on business losses	41.86	29.87
Income tax expense	**(0.89)**	**(0.03)**

23.2 Deferred tax related to the following:

(Rs. in lakhs)

Particulars	As at 31 March 2020	Changes in deferred tax		As at 31 March 2019
		Profit & loss	Other comprehensive income/ loss	
Deferred tax asset arising on account of :				
Unabsorbed Depreciation	6.94	0.89	-	6.05
Net Deferred Tax	**6.94**	**0.89**	**-**	**6.05**

Unabsorbed depreciation

As per local tax regulations and returns filed with the tax authorities, unabsorbed depreciation can be carried forward indefinitely and has no expiry date.

Business losses

Business losses can be carried forward for eight years and has the expiry date as follows:

Pertaining to	As at 31 March 2020	
	Amount	Expiry year
AY 2018-19	52,54,355	AY 2026-27
AY 2019-20	62,84,932	AY 2027-28
Total	**1,15,39,287**	

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24 Fair value measurements **(Rs. in lakhs)**

Financial instruments by category:

Particulars	31 March 2020		31 March 2019	
	Amortised cost	FVTPL	Amortised cost	FVTPL
Financial Assets - Current				
Trade receivables	82.65	-	33.53	-
Cash and cash equivalents	40.28	-	29.21	-
Loans	-	-	20.16	-
Other financial assets	242.74	-	152.63	-
Financial Liabilities - Current				
Trade Payables	1.36		53.04	
Other financial liabilities	904.42	-	687.65	-

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

II. Assets and liabilities which are measured at amortised cost for which fair values are disclosed

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, currrent loans, other current financial assets, borroiwngs, trade payables and other current financial liabilities are considered to be approximately equal to the fair value.

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25 Financial risk management

The Company is exposed primarily to fluctuations in interest rate and liquidity management.

The Company's principal financial liabilities comprises of borrowings and other financial liabilities. The company's principal financial assets include cash and bank balances that derive directly from its operations.

A Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms and 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 analysing credit limits and credit worthiness of the customer on continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The financial instruments that are subject to concentration of credit risk principally consist of trade receivables, loans, cash and bank balances and bank deposits.

Credit risk is managed by the company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.Also, the trade receivables are monitored on a periodic basis for assessing any significant risk of non-recoverability of dues and provision is created accordingly. The customer is related party, hence there is no risk on trade receivable.

Bank balances and deposits are held with only high rated banks. Hence, in these case the credit risk is negligible.

B Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to maintain optimum levels of liquidity and to ensure that funds are available for use as per requirement.

The liquidity risk principally arises from obligations on account of financial liabilities viz. trade payables, borrowings and other financial liabilities. All the financial liabilities are payable within 1 year from reporting date.

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26 Capital Management

The company's objectives when managing capital are to
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

A. The amount managed as capital by the company are summarised as follows:

(Rs. in lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
Debt	-	-
Less: cash and cash equivalents	(40.28)	(29.21)
Net Debt	(40.28)	(29.21)
Total Equity	(440.92)	(277.37)
Capital Gearing Ratio	**0.09**	**0.11**

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

27 Related party disclosure

Related party disclosures as required under Ind AS 24, "Related party disclosure" are given below

A.

Name of company	Relationship
Allied Blenders and Distillers Private Limited	Holding company
Deccan Star Distilleries India Private Limited	Fellow subsidiary
Chitwan Blenders & Bottelers Private Limited	
NV Distilleries & Breweries (AP) Private Limited	

B. Transactions during year with holding company

(Rs. in lakhs)

Particluar	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from contract with customers - Bottling charges	80.24	7.56
Total	**80.24**	**7.56**

(c) Balances as at end of the year with holding company

Particluar	Year ended 31 March 2020	Year ended 31 March 2019
Trade receivable	82.65	33.53
Due under tie up contracts	242.68	152.63
Due to holding company	889.20	644.59

VIPIN NAGAR & CO. CHARTERED ACCOUNTANT MEERUT

28 Earnings per share

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Net profit attributable to equity share holders	(163.55)	(95.82)
Weighted average number of equity shares outstanding during the year	5,22,100.00	5,22,100.00
Earnings per share:		
Basic and diluted EPS	(31.33)	(18.35)
Nominal value per share (in Rs.)	10.00	10.00

29 Segment reporting

Business segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the whole Company as one segment . Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment.

Entity wide disclosures

The Company has only one customer i.e Allied blenders and distillers private limited and hence entire revenue is earned from single customer.

30 There are no Micro and Small Enterprises, to whom the Company owes dues as at 31 March 2020. Further, no interest has been paid or payable in respect thereof. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

31 As at reporting date the Company does not have any contingent liabilities.

32 Previous year figures have been regrouped and rearranged to make them comparable with the current year figures.

For VIPIN NAGAR & CO.

VIPIN NAGAR CHARTERED ACCOUNTANT MEERUT

VIPIN NAGAR
(Partner)
Membership No. 074041

Place : Meerut
Date: 05-09-2020

For and on behalf of the Board of Directors

RATAN LAL JAIN
(Director)
DIN: 00030299

ARUN BARIK
(Director)
DIN: 07130542