



RISEING LIKE A

PHOENIX



ANNUAL REPORT
2022 - 23

INSIDE STORIES

CORPORATE OVERVIEW

01-12

Rising Like A Phoenix	01
About Us	02
Vision Statement and Core Values	03
Our Key Verticals	04
Our Iconic Brands	05
New Launches	06-07
A Message from the Promoter & Chief Restructuring Officer	08-09
Our Leadership	10
Our Performance Scorecard	11
Corporate Information	12

STATUTORY REPORTS

13-39

Board's Report	13-35
Management Discussion & Analysis	36-39

FINANCIAL STATEMENTS

42-159

Financial Statements (Standalone)	42-100
Financial Statements (Consolidated)	101-159

Forward-looking Statement

This report may contain some statements on the Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking statements although we believe we have been prudent in our assumptions.

RISING LIKE A

PHOENIX



At Jagatjit Industries Limited, we have always embraced change and adapted to the evolving business landscape. In the face of adversity, we have demonstrated resilience, determination, and the unwavering spirit to overcome obstacles. Our ability to transform setbacks into opportunities has been instrumental in propelling us towards continued success.

As we soar higher, we recognize that our achievements are the result of a united and dedicated team. Our employees have shown immense passion and commitment, standing together to tackle any hurdles that come our way. Through collaboration and a shared vision, we have reached new heights, surpassing expectations and delivering exceptional value to our customers, shareholders, and other stakeholders.

Our diverse portfolio of iconic brands remains a source of strength and differentiation in the industry. With a focus on superior quality and efficient business practices, we have solidified our position as a key player in the market. Our sustained efforts towards sustainability have not only allowed us to expand our business but have also reinforced our commitment to responsible practices.

Just like a phoenix, we rise from the ashes of challenges, stronger, and more determined than ever. Together, we shape the future of Jagatjit Industries Limited, creating a legacy that will stand the test of time.

ABOUT US

Founded in the year 1944 with a heritage spanning over 79 years, Jagatjit Industries Limited is one of the most prominent companies manufacturing IMFL (Indian Made Foreign Liquor) & CL (Country Liquor) in India.

Manufacturing Quality

In line of our commitment to maintain the product quality and consistent consumer experience, we are a FSSC 22000 – Food Safety Systems Certified Company. We strive to provide our customers with premium brands and superior quality at affordable prices.

Sustaining Legacy

We hold the unique distinction of being one of Asia's largest integrated distilleries manufacturing alcoholic beverages and producing malt spirit. Two fundamental tenets of our business are ensuring quality and customer delight. These values are also ingrained in the DNA of our brands.

National Presence

We have a state-of-the-art manufacturing base in Jagatjit Nagar, Kapurthala District, Punjab along with our other modern manufacturing unit in Behror, Rajasthan. We also have collaborations with bottlers all over India giving us a truly national presence.

Constant Evolution

We believe in embracing modernization, redefining our methodologies and reinvigorating our brands to keep up with the evolving trends. Over the years, we have maintained the richness of our heritage and adapted to the dynamism of the digital age to deliver more value for our customers, shareholders and other stakeholders.

Living Our Philosophy

Our guiding philosophy, "A Heritage of Quality" permeates every aspect of our operations; quality in manufacturing, technology and relationships with its employees, dealers, customers and other stakeholders.

Elaborate Portfolio

As one of the largest IMFL (Indian Made Foreign Liquor) players in the country, we manufacture an entire range of alcoholic beverages i.e. Scotch, Whisky, Vodka, Gin, Rum & Brandy keeping in mind our promise – 'To provide superior products to the customers at an affordable price'.

VISION STATEMENT

Iconic Impactful brands that always make you feel better

Our Manufacturing Capacities

40

Total Liquor Brands

7.2

Million Cases Per Annum

Indian Manufactured Foreign Liquor

4.2

Million Cases Per Annum

Country Liquor

42,600

MT Per Annum

Malted Milk Food

13,800

MT Per Annum

Malted Extract

FSSC

22000

Food Safety Systems Certified

Our Core Values



1. Teamwork



2. Ownership



3. Result Oriented



4. Technology Savvy

KEY VERTICALS



IMFL (Indian Made Foreign Liquor):

- One of the largest IMFL players in the country
- Manufacturing an entire range of alcoholic beverages i.e. Scotch, Whisky, Vodka, Gin, Rum & Brandy
- We have a solid distribution network across India and global markets



Malted Milk Food and Malt Extract:

- Producing high-quality food and distillery grade malt with the best barley to meet intrinsic demand and boost sales
- Contract with Hindustan Unilever Limited for producing their popular malted milk food brands 'Boost' & 'Horlicks'
- Forayed into Institutional sales with the launch of Milkfood Smart Milk (Malted Milk Food with Cocoa)



Distillery:

- Production of high quality ethanol for alcoholic beverages
- Cutting-edge manufacturing base located in Jagatjit Nagar, Punjab & our other modern manufacturing unit in Behror, Rajasthan
- Extensive distribution across India and global markets



Country Liquor (CL) & Rajasthan Made Liquor (RML):

- Producing high-quality Country Liquor in the state of Punjab & Rajasthan
- Manufacturing & distribution of RML (Rajasthan Made Liquor) across Rajasthan



Real Estate:

- Leasing of owned real estate properties on rent
- Own around 2 lac sq. ft. property in Gurugram, Haryana spread across 4 acres of plot and around 23,000 sq. ft. property at Ashoka Estate, Connaught Place, New Delhi

OUR **ICONIC** BRANDS

We have an exquisitely crafted brand portfolio keeping in mind the need state of the consumers and our constant desire to strengthen our position and market share across the globe.

The company's focus brands in the AlcoBev sector are Aristocrat Premium, AC Black, Royal Pride & Damn Good Scotch.

SCOTCH



King Henry
Damn Good Scotch

WHISKY



Royal Pride
Exquisite Whisky



AC Black
Whisky



Aristocrat
Premium Whisky



AC Neat
Whisky



Aristocrat Old Reserve
Whisky



AC Sek C
Whisky



Aristocrat
Whisky



Bonnie Special
Whisky



Binnie's Fine
Whisky

VODKA



Aristocrat
Vodka



IICE
Vodka

RUM



Aristocrat
Rum

GIN



Aristocrat Dry
Gin

NEW LAUNCHES



MALTED MILK
FOOD



Royal Medallion



King Henry
Damn Good Scotch



AC Royale



A MESSAGE FROM

The Promoter & Chief Restructuring Officer

Dear Shareholders,

I am pleased to share the Annual Report for the Financial Year 2022-23, which delineates our stellar performance for FY 2022-23, vision and road ahead for the future. It is heartening to see that for the first time in the past decade, Jagatjit Industries Limited (Jagatjit) has reported a double-digit figure in Profit Before Taxes, marking the success of our turnaround strategy. Continuing the legacy of 78 years of unwavering excellence, our strong results and successful achievements are a testament to our commitment to providing customers with locally crafted products with highest quality standards. Since our inception in 1944, we have delighted millions of satisfied customers. Through resilience and unwavering determination, our team has adeptly navigated through turbulent times.

The turnaround strategy envisioned in 2019 led to significant changes. We embraced the Japanese business philosophy of Kaizen (small continuous improvements). First we needed to strengthen the core. We did this by strengthening our teams and management, enhancing operational efficiency, resource planning, leveraging new market opportunities, improving our product offerings, transitioning to a new business model of short-term franchise agreements in key markets, and making advancements in technology and infrastructure at our manufacturing locations.

In the last 3 years we have begun reaping the benefits of this strategy. Our company has achieved remarkable growth, with gross revenues increasing from INR 273 crore to INR 625 crore, a notable 2.29-fold increase from FY 2019-20. In FY 2022-23, our revenues soared by 24%, accompanied by a 14% increase in net sales. Moreover, we successfully transformed a loss of INR (51.65) crore in FY 2019-20 into a profit of INR 10.62 crore in FY 2022-23. Our EBITDA for the year 2022-23 reached an impressive INR 49.13 crore. The improved profitability has instilled confidence in our investors, strengthened our market position, and laid a solid foundation for sustainable growth and success in the future.

As we look ahead to FY 2023-24, Jagatjit is poised to embark on several key strategic initiatives. The next leg of our journey will be marked by growing into adjacencies—whether that's new categories or new geographies—and growing through new businesses. A central focus is the operationalization of our grain-based ethanol manufacturing plant by FY 2024-25, a crucial step expected to significantly contribute to our company's revenues and profitability. We are steering into the new year with robust plans and execution of expansion into new markets in Odisha, Kerala and the Canteen Stores Department, aiming to broaden our consumer base and fuel further growth, eventually reaching 22 states. We will also continue to deepen our presence in existing markets, such as Punjab, Andhra Pradesh, Telangana and Assam, among others. Additionally, we plan to expand our export markets from 13 to 15 countries, with Nigeria and Russia as our new destinations for export.

We have been successfully undertaking premiumization and repositioning of our product portfolio, which has played well till now and contributed to the turnaround. We are exploring the possibility of launching a single malt whiskey leveraging our rich legacy and historical background at the latter end of next year. We have also entered another premium segment in brandy, and have launched a brand called Royal Medallion, this marks the first entry into the premium brandy segment for the Company.

Over the past one year, investors have enjoyed a remarkable return on their investments in our company. The above achievements position our company favorably for continued success, attracting investors, strengthening relationships, and unlocking new avenues for growth and innovation.

On behalf of our senior leadership team and all our stakeholders, I extend my sincere gratitude to each and every member of our organization for their resilience, trust, confidence and unwavering commitment at all times.

We proudly conclude the year with commendable business achievements. Together, we firmly believe that no challenge is insurmountable when we tackle problem solving with logic, steely determination and resolve to surpass the challenge. This core conviction stems from our collective vision at Jagatjit and will steadfastly accompany us on our ongoing journey.

I, once again, thank you for the trust and confidence you have placed on us, always. We are certain of exciting times ahead and a great future for all of us. We will continue to rise together.

Yours sincerely,

Roshini Sanah Jaiswal
Promoter & Chief Restructuring Officer

Place: New Delhi
Date: 14th August, 2023

OUR LEADERSHIP



Our Visionary

Late Mr. L.P. Jaiswal

A self-made man and a first-generation entrepreneur, he belonged to a select group of industrialists from Northern India like Mr. H.P. Nanda, Bhai Mohan Singh and Karamchand Thapar from the pre-Independence era. Maharaja of Kapurthala HRH Jagatjit Singh was a noble patron of the Company. Having high regards for the Maharaja, Mr. L.P. Jaiswal named the Company Jagatjit Industries Limited.



Promoter & Chief Restructuring Officer

Roshini Sanah Jaiswal

A third-generation promoter and the Company's Chief Restructuring Officer. She is the grand-daughter of Late Mr. L.P. Jaiswal taking over the reins of the Company since 2015. A Political Science and Economics graduate from New York University, she has over 15 years of experience and expertise in the food and beverage industry. She possesses innate understanding of the liquor industry, having grown up in a family committed to the business for more than seven decades. Prior to this, she found and ran her own entrepreneurial venture. She is deeply committed to the welfare and health of the Company and had joined with the intent of turning around its operations and revive the Company.

Key Executives



Ravi Manchanda
Managing Director



Anil Vanjani
Chief Executive Officer & CFO



Chandan Kashikar
Chief People Officer



Devender Gulia
Head of Sales & Marketing



Anil Singal
Head of Accounts & Finance

OUR PERFORMANCE SCORECARD

Assets

(₹ in Lacs or as indicated)

	2022-23***	2021-22***	2020-21***	2019-20***	2018-19***	2017-18***	2016-17***	2015-16***	2014-15**	2013-14*
Fixed Assets (Net Block)	36,281	36,921	37,217	37,286	38,070	41,333	42,391	43,304	29,742	32,762
Investments (Current & Non Current)	1,736	1,749	1,784	1,823	3,635	3,055	3,107	3,118	1,183	1,229
Current and Non Current Assets	11,803	10,650	10,279	11,481	21,814	32,340	32,431	43,542	50,787	45,433
Total	49,820	49,320	49,280	50,590	63,519	76,728	77,929	89,964	81,712	79,424

Liabilities

	2022-23***	2021-22***	2020-21***	2019-20***	2018-19***	2017-18***	2016-17***	2015-16***	2014-15**	2013-14*
Loans, Liabilities and Provisions (Current & Non Current)	43,577	44,562	44,668	46,555	54,319	60,556	54,225	54,565	54,888	47,559
Net Worth	6,243	4,758	4,612	4,035	9,200	16,172	23,704	35,399	26,824	31,865

Net Worth Represented by

	2022-23***	2021-22***	2020-21***	2019-20***	2018-19***	2017-18***	2016-17***	2015-16***	2014-15**	2013-14*
Equity Share Capital	4,631	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615	4,615
Reserves and Surplus	1,612	143	[3]	[580]	4,585	11,557	19,089	30,784	22,209	27,250
Total	6,243	4,758	4,612	4,035	9,200	16,172	23,704	35,399	26,824	31,865

Operating Performance

	2022-23***	2021-22***	2020-21***	2019-20***	2018-19***	2017-18***	2016-17***	2015-16***	2014-15**	2013-14*
Revenue	62,561	50,392	45,057	27,331	30,387	56,710	84,758	1,15,351	1,24,268	1,37,081
Gross Profit Earnings	1,920	1,062	1,432	[3,198]	[5,686]	[6,547]	[10,130]	[5,445]	[4,341]	[2,417]
Profit before Tax	919	66	503	[4,163]	[6,730]	[7,759]	[11,402]	[6,716]	[5,584]	[4,266]
Profit after Tax/ Total Comprehensive Income	1062	89	577	[5,165]	[6,627]	[7,433]	[11,695]	[6,565]	[4,365]	[4,523]
Earning per Share (₹)	1.99	0.14	1.15	[11.20]	[15.09]	[16.97]	[26.18]	[15.04]	[10.00]	[10.36]

Dividend

	2022-23***	2021-22***	2020-21***	2019-20***	2018-19***	2017-18***	2016-17***	2015-16***	2014-15**	2013-14*
Amount per Share (₹)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rate (%)	0	0	0	0	0	0	0	0	0	0
Book Value per Equity Share (₹)	13.48	10.31	9.99	8.74	19.93	35.04	51.36	76.70	58.12	69.05

Gross Earnings

	2022-23***	2021-22***	2020-21***	2019-20***	2018-19***	2017-18***	2016-17***	2015-16***	2014-15**	2013-14*
As a percentage of Revenue	3.1	2.1	3.2	[11.7]	[18.7]	[11.5]	[12.0]	[4.7]	[3.5]	[1.8]
As a percentage of Fixed Assets	5.3	2.9	3.8	[8.6]	[14.9]	[15.8]	[23.9]	[12.6]	[14.6]	[7.4]
As a percentage of Capital Employed	5.5	3.0	4.2	[10.3]	[13.2]	[12.5]	[18.0]	[8.1]	[7.5]	[4.1]

* based on Revised Schedule VI of the Companies Act, 1956.

** based upon Schedule III of the Companies Act, 2013.

*** based on IND AS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ravi Manchanda
Managing Director

Mrs. Kiran Kapur
Non-executive Independent Director

Mrs. Anjali Varma
Non-executive Director

Mrs. Sushma Sagar
Non-executive Independent Director

Ms. Vidhi Goel
Non-executive Independent Director

Mrs. Asha Saxena
Non-executive Director

STATUTORY AUDITORS

M/S V.P. Jain & Associates
Chartered Accountants,
New Delhi
(Firm Registration Number 015260N)

REGISTERED OFFICE & WORKS :

Jagatjit Nagar,
Distt. Kapurthala – 144 802
Punjab

CORPORATE OFFICE :

4th Floor, Bhandari House,
91, Nehru Place,
New Delhi – 110019

LISTED ON

BSE Limited

MAIN BANKERS

Kotak Mahindra Bank Limited
Indusind Bank



Boards' Report

Dear Members,

Your Directors have pleasure in presenting the 78th (Seventy Eighth) Annual Report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended 31st March, 2023.

FINANCIAL SUMMARY

The Board Report is prepared on the basis of standalone financial statements of the Company. The Company's financial performance for the year under review along with previous year's figures is given hereunder:

	(₹ in Lacs)	
	2022-23	2021-22
Profit/(Loss) for the year after charging all expenses excluding financing charges and depreciation	4913	3961
Deduct : Financing Charges	3051	2882
Cash Profit/(Loss)	1862	1079
Deduct: Depreciation/Amortization	1001	996
Profit/(Loss) for the year before taxation and exceptional Items	861	83
Exceptional Items – Income	-	-
Profit/(Loss) for the year before taxation and after exceptional Items	861	83
Tax Expenses		
- Income tax adjustment related to earlier years	-	4
Profit/(Loss) after tax from discontinuing operations	58	(17)
Profit/(Loss) after tax for the year	919	62
Other Comprehensive Income		
- Fair value changes in Equity Instruments	3	1
- Re-measurement Gains/(Losses) on defined Benefit Plans	140	26
- Tax Impact on Re-measurement Gains/(Losses) on defined Benefit Plans	-	-
Total Comprehensive Income for the period	1062	89

STATE OF COMPANY'S AFFAIRS

During the year under review, the Gross Turnover (including income from Services & Other Sources) was ₹ 62,561 Lacs as compared to ₹ 50,392 Lacs during the previous year. The Company earned a profit before taxation of ₹ 861 Lacs as compared to profit before taxation of ₹ 83 Lacs during the previous year.

The turnaround strategy envisioned in the year 2019 led to significant changes. The improved profitability has instilled confidence in our investors, strengthened our market position and laid a solid foundation for sustainable growth and success in the future.

The Company's primary focus is in the business of manufacturing, distributing and selling of IMFL brands with intent to provide superior brands at affordable prices along with malted milk food business. During Financial Year 2022-23, the Company sold 3.15 million IMFL cases as against 2.66 million IMFL cases during the previous year. The Company is also engaged in manufacturing of Country liquor in

the state of Punjab & Rajasthan, where it recorded gross volume of around 2.07 million cases. The Company is also planning to expand its export markets from 13 to 15 countries, with Nigeria and Russia as the new destinations for export.

Your Company's focus is the operationalization of our grain-based ethanol manufacturing plant in FY 2024-25, which is a crucial step in order to significantly contribute to the Company's revenue and profitability. The Company is also aiming to broaden the consumer base and fuel further growth, eventually reaching 22 states. The Company is continuously focusing on production of Extra Neutral Alcohol (ENA) and it had positive bearing on the performance of the Company in Financial Year 2022-23 by utilising its capacity and expects reasonable overall growth in future years also.

TRANSFER TO GENERAL RESERVE

During the year under review, no amount was transferred to General Reserve.



Boards' Report (Contd.)

DIVIDEND

The Board proposes to utilize the profits for the operations of the Company and accordingly do not recommend any dividend.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and to the date of this Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no material change in the nature of business of the Company.

SHARE CAPITAL

During the year under review, there was no change in the Authorized Share Capital of the Company. However, due to allotment of 1,67,516 equity shares to the eligible employees under Jagatjit Industries Limited Stock Incentive Plan, 2021, the paid-up share capital as on 31st March, 2023 increased from ₹ 46,14,81,120 to ₹ 46,31,56,280.

EMPLOYEES STOCK INCENTIVE PLAN

Pursuant to the approval of shareholders in the 76th Annual General Meeting held on 30th September, 2021, the Company has introduced and implemented the "Jagatjit Industries Limited Stock Incentive Plan, 2021" ("JIL SIP 2021" / "Plan"), in accordance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Nomination and Remuneration Committee ("NRC Committee") of the Board administers and monitors the JIL SIP 2021. During the year under review the NRC Committee had granted 4,83,000 stock options at an exercise price of ₹ 10/- per stock option on 25th April, 2022.

Disclosures required under Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 relating to Employees Stock Options as at 31st March, 2023 are given in 'Annexure-1' to this Report.

Further, a certificate from the Secretarial Auditors on the implementation of the Company's Employees Stock Incentive Plan will be available at the ensuing Annual General Meeting for the inspection of the Members.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposits, falling within the ambit of Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

As on 31st March, 2023, outstanding deposits of 10 persons, which have become due for repayment amounting to ₹ 6.5 Lacs remained unpaid. Out of this 1 person laid his claim for a deposit amounting

to ₹ 1 Lac. The balance amount of 9 persons amounting to ₹ 5.5 Lacs has since been deposited in IEPF in accordance with the provisions of Section 125 of the Companies Act, 2013 read with relevant rules.

During the year under review, there has been no default in repayment of deposits or interest thereon.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Holding Company:

As M/s LPJ Holdings Private Limited holds 65.17% voting rights in the Company i.e Jagatjit Industries Limited as on 31st March, 2023 and by virtue of such holding M/s Jagatjit Industries Limited continued to be subsidiary company of M/s LPJ Holdings Private Limited as per the provisions of Section 2(87) of the Companies Act, 2013.

Subsidiary and Associate Companies:

During the year under review, M/s JIL Trading Private Limited, M/s L. P. Investments Limited, M/s Natwar Liquors Private Limited, M/s Sea Bird Securities Private Limited and M/s S. R. K. Investments Private Limited continued to be the subsidiary companies of the Company.

M/s Yoofy Computech Private Limited, one of the subsidiary Companies, not being in operations, had applied to the Registrar of Companies (ROC) for striking off its name. As the name of the Company has been struck off from ROC records, M/s Yoofy Computech Private Limited ceased to be the subsidiary of the Company.

During the year under review, M/s Hyderabad Distilleries & Wineries Private Limited continued to be an Associate Company of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of your Company for the Financial Year 2022-23 are prepared in compliance with the applicable provisions of the Act, Indian Accounting Standards ("Ind ASs") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations) which shall be placed before the members in their forthcoming Annual General Meeting (AGM).

In accordance with Section 129 (3) of the Act, a statement containing the salient features of the financial statements of subsidiary/ associate companies is being provided as Annexure in Form AOC-1 to the consolidated financial statements of the Company and therefore not being repeated to avoid duplication.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mrs. Asha Saxena (DIN: 08079652), Non-Executive Director is liable to retire by rotation at the ensuing AGM and being eligible, offers herself for



Boards' Report (Contd.)

re-appointment. Your Board recommends her re-appointment.

Appointment / re-designation

Mrs. Asha Saxena (DIN: 08079652), who was appointed as an Additional Non-Executive Director of the Company by the Board of Directors w.e.f. 22nd July, 2022 and in respect of whom the Company had received a notice in writing from a Member proposing her candidature for the office of Director, was appointed as Director of the Company liable to retire by rotation, in the 77th Annual General Meeting of the Company held on 30th September, 2022.

Mrs. Sushma Sagar (DIN: 02582144), who was appointed as a Director liable to retire by rotation and whose candidature for the office of Independent Director was recommended by the Nomination and Remuneration Committee and the Board of Directors, had been re-designated as Independent Director of the Company not liable to retire by rotation, to hold office for a term of five years, with effect from 22nd July, 2022. The said appointment was confirmed by the shareholders in the 77th AGM of the Company held on 30th September, 2022.

Key Managerial Personnel

During the year under review, Mr. Ravi Manchanda, Managing Director, Mr. Anil Vanjani, Chief Executive Officer & CFO and Mr. Roopesh Kumar, Company Secretary continue to be the Key Managerial Personnel of your Company.

MEETINGS OF THE BOARD AND ITS COMMITTEES

The number of meetings of the Board and various Committees thereof are set out in the Corporate Governance Report which forms part of this report. The intervening gap between the meetings was within the period prescribed under the Act and SEBI (LODR) Regulations, as applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) read with Section 134 (5) of the Act, the Directors state that:

- (a) in the preparation of Annual Accounts for the year ended 31st March, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a going concern basis;

- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY THE AUDITORS:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Audit Committee or the Board, under section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which need to be mentioned in this Report.

DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received necessary declarations from each Independent Director that he/she meets the criteria of independence as laid down under the Act read with Schedule IV and Rules made thereunder, as well as SEBI (LODR) Regulations including any amendment thereof. The Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfill / meet the criteria of independence.

NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In accordance with the provisions of Section 178(1) of the Act read with Rules made thereunder and SEBI (LODR) Regulations, based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company have approved a policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees including criteria for determining qualifications, positive attributes, independence of a director and other matters provided U/s 178(4) of the Act. The broad parameters covered under the Policy are:

- Principle and Rationale
- Company Philosophy
- Guiding Principles
- Nomination of Directors
- Remuneration of Directors
- Evaluation of the Directors
- Nomination and Remuneration of the Key Managerial Personnel (other than Managing/ Whole-time Directors), Key-Executives and Senior Management.
- Remuneration of other employees.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive



Boards' Report (Contd.)

attributes, independence of Directors and other related matters as provided under Section 178(3) of the Act forms part of this report. The policy is available on the website of the Company i.e. www.jagatjit.com.

The policy is not being sent along with this Report to the members of the Company in line with the provisions of Section 136 of the Act. The aforesaid Policy is available for inspection by Members at the Registered Office of the Company up to the date of the ensuing AGM during the business hours on all working days, except Saturdays. Members who are interested in obtaining these particulars of the said policy may write to the Company Secretary at the Registered Office of the Company.

ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of Section 134 (3) (p) of the Act and the rules made thereunder, the Board was required to carry out Annual Performance Evaluation of the Board, its Committees and individual Directors. Additionally, as per provision of Regulation 17 (10) of SEBI (LODR) Regulations and Schedule IV of the Act, the performance evaluation of the independent directors was also to be done by the Board of Directors. Accordingly, the Board has carried out the annual evaluation of the Directors individually including the Independent Directors (wherein the concerned director being evaluated did not participate), the Board as a whole and following Committees of the Board of Directors:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee;
- iii) Stakeholders' Relationship Committee; and
- iv) Corporate Social Responsibility Committee.

The evaluation affirmed that the Board as a whole as well as all of its Members, individually and the Committees of the Board continued to display commitment to good governance, ensuring a constant improvement of processes and procedures.

It was acknowledged that every Director and the Committee of the Board contributed its best in the overall performance of the Company.

ANNUAL RETURN

In accordance with section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the draft annual return in e-form MGT-7 for financial year 2022-23 has been uploaded on Company's website www.jagatjit.com. Members may also note that the annual return being uploaded on the website is a draft and the final annual return will be uploaded after the same is filed with the Ministry of Corporate Affairs ('MCA').

AUDITORS AND AUDITORS' REPORT

The Members of the Company vide their resolution passed at the 76th (Seventy Sixth) AGM, appointed M/s. V. P. Jain & Associates, Chartered Accountants, New Delhi (FRN 015260N) as Statutory

Auditors of the Company for a term of 5 (five) years to hold office from the conclusion of 76th Annual General Meeting until the conclusion of the 81st Annual General Meeting of the Company to be held in the calendar year 2026.

The Auditors' Report does not contain any qualification, reservation or adverse remarks. Other observations of the Statutory Auditors in their reports on standalone and consolidated financial statements are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act read with corresponding Rules framed thereunder, M/s. Saqib & Associates, Company Secretaries were appointed as the Secretarial Auditors of the Company to carry out the Secretarial Audit of secretarial and related records of the Company for the Financial Year ended 31st March, 2023.

A Secretarial Audit Report submitted by the Secretarial Auditors in Form No. MR-3 forms part of this report and is annexed herewith as **Annexure-2**.

ANNUAL SECRETARIAL COMPLIANCE REPORT

A Secretarial Compliance Report for the financial year ended 31st March, 2023 on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, as received from M/s. Saqib & Associates, Company Secretaries, Secretarial Auditors of the Company, was submitted to the Bombay stock exchange.

COST AUDIT

Cost Audit Report for the financial year 2021-22 for Extra Neutral Alcohol (ENA) was duly filed by the Cost Auditors with the Ministry of Corporate Affairs within the due date of filing vide SRN F29272705 dated 13.10.2022.

The Company is maintaining applicable Cost Records as specified under Section 148 of the Companies Act, 2013 and the records for the Financial Year 2022-23 shall be audited by the Cost Auditors M/s. P. K. Verma & Co., Cost Accountants.

The Board of Directors, on the recommendation of the Audit Committee, has re-appointed M/s P. K. Verma & Co., Cost Accountants, Chandigarh (Firm Registration No. 0005111), as Cost Auditors of the Company for the financial year 2023-24, for conducting the audit of the cost records maintained by the Company for Extra Neutral Alcohol (ENA) product of the Company. A resolution seeking member's ratification for the remuneration payable to the Cost Auditors for the financial year 2023-24 forms part of the notice of the 78th Annual General Meeting of the Company and the same is recommended for your consideration and approval.

INTERNAL FINANCIAL CONTROLS

The Company generally has in place adequate Internal Financial Controls with reference to financial statements. During the year, such controls were tested, and the Auditors reported that the



Boards' Report (Contd.)

Company generally has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls were generally operating effectively as on 31st March, 2023. In some areas, the controls were effective but need to be further strengthened. The Company is taking necessary steps to further strengthen the same. In view of the provisions under the Act the report on the Internal Financial Control issued by M/s. V. P. Jain & Associates, Chartered Accountants, the Statutory Auditors of the Company is annexed to the Audit Report on the Financial Statements of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements and for the sake of brevity, the same are not being repeated.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company with Related Parties, as defined under the Act and SEBI (LODR) Regulations, during the Financial Year 2022-23 were at arm's length basis and in the ordinary course of business. As per the provisions of Section 188 of the Act and Rules made thereunder, read with Regulation 23 of SEBI (LODR) Regulations, your Company has obtained necessary approval of the Audit Committee before entering into such transactions and the same has been reviewed periodically.

Your Company has framed a Policy on Related Party Transactions in accordance with SEBI (LODR) Regulations and as per the amended provisions of the Act. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The policy is uploaded on the website of the Company at www.jagatjit.com.

During the year, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the aforesaid Policy of the Company on Related Party Transactions.

None of the transactions with any of the related parties were in conflict with the interest of the Company. Rather, they synchronised and synergised with the Company's operations. Attention of Members is drawn to the disclosure of transactions with the related parties set out in Note No. 34 of the Standalone Financial Statements, forming part of the Annual Report.

Since all the transactions which were entered into during the Financial Year 2022-23 were at arm's length basis and were in the ordinary course of business and there was no material related party transaction entered by the Company during the Financial Year 2022-23 as per Related Party Transactions Policy, hence no details are required to be provided in Form AOC-2 prescribed under Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY [CSR]

The composition, role, functions and powers of the Corporate Social Responsibility (CSR) Committee of the Company are in accordance with the requirements of the Act. Presently, the CSR Committee comprises of Mrs. Kiran Kapur, Independent Director, Mrs. Anjali Varma, Non-Executive Director and Mr. Ravi Manchanda, Managing Director as Members.

The CSR Policy of the Company as approved by the CSR Committee is also available on the website of the Company at www.jagatjit.com.

During the year under review, in terms of Section 135(5) of the Act, no such activities were required to be undertaken by the Company.

RISK MANAGEMENT

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing / mitigating the same. Your Company's Risk management framework ensures compliance with the provisions of SEBI (LODR) Regulations. Your Company has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are: securing critical resources; ensuring sustainable plant operations; cordial relations with the workers; ensuring cost competitiveness including logistics; maintaining and enhancing customer service standards and resolving environmental and safety related issues.

The Board of Directors has adopted a formal Risk Management Policy for the Company and the same is available at the website of the Company at www.jagatjit.com. The Policy outlines the parameters of identification, assessment, monitoring and mitigation of various risks which are key to business objectives.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The information required to be disclosed in the Board's Report pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2023 forms part of this report.

The above is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Act. The same is available for inspection by Members at the Registered Office of the Company upto the date of the ensuing AGM during the business hours on all working days, except Saturdays. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 forms part of this report and is annexed



Boards' Report (Contd.)

herewith as **Annexure-3**.

CORPORATE GOVERNANCE

Your Company upholds the standards of governance and is compliant with the Corporate Governance provisions as stipulated under SEBI (LODR) Regulations, in both letter and spirit. The Company's core values of honesty and transparency have since its inception been followed in every line of decision making. Setting the tone at the top, your Directors cumulatively at the Board level, advocate good governance standards at the Company. Your Company has been built on a strong foundation of good Corporate Governance.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from M/s. Saqib & Associates, Company Secretaries, confirming compliance with the requirements of Regulation 34 read with Schedule-V of the SEBI (LODR) Regulations forms part of this report and is annexed herewith as **Annexure-4**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as stipulated under Regulation 34 read with Schedule-V of the SEBI (LODR) Regulations is presented in separate section forming part of the Annual Report.

LISTING OF SHARES OF THE COMPANY

The shares of your Company are listed on the BSE Limited. The Listing fees for the Financial Year 2023-24 has been paid to the BSE Limited.

RESEARCH AND DEVELOPMENT (R&D)

The Company takes regular steps for R&D in the manufacturing process and optimum utilization of its resources. No major capital investment was made for R&D during the year under review.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable security laws and Regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include economic and political conditions in India and other countries in which the Company operates, volatility in interest rates, changes

in government regulations and policies, tax laws, statutes and other incidental factors. The Company does not undertake to update these statements.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review:-

1. Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
2. The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.
3. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Issue of Sweat Equity Shares.
5. Further, the Board of Directors also confirms that the Company is in regular compliance of applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the sincere services rendered by employees of the Company at all levels. Your Directors also wish to place on record their appreciation for the valuable co-operation and support received from the Government of India, State Governments, the Banks / Financial Institutions and other stakeholders such as, shareholders, customers and suppliers, among others. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to their continued support in future.

For and on behalf of the Board
For **Jagatjit Industries Limited**

Ravi Manchanda
Managing Director
(DIN.00152760)

Sushma Sagar
Director
(DIN.02582144)

Date : 14th August, 2023
Place : New Delhi



Boards' Report (Contd.)

Annexure-1

DISCLOSURE UNDER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2014

Sl. No.	Particulars	Jagatjit Industries Limited – Stock Incentive Plan 2021 ("JIL SIP – 2021"/ "the Plan")	
1.	Any material change in the Plan and whether the Plan is in compliance with the regulations	The Shareholders had approved the Plan in their meeting held on 30 th September, 2021. No changes are carried out in the Plan. Further, the Plan is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.	
2.	Following disclosures are made on the website of the Company - http://jagatjit.com/investors		
A.	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time. Members may refer to the audited financial statement prepared as per Indian Accounting Standards (Ind AS) for the financial year 2022-23, available on http://jagatjit.com/investors		
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time. Basic and Diluted EPS for the year ended 31 st March, 2023 is ₹ 1.99 and ₹ 1.93 respectively.		
C.	Details related to the Plan :		
(i)	A description of the Plan that existed at any time during the year, including the general terms and conditions of the Plan, including-		
	(a) Date of shareholders' approval	The Plan has been approved by a resolution passed in the meeting of the Board of Directors of the Company held on 14 th August, 2021 and shareholders in their meeting held on 30 th September, 2021. The Plan has been approved for Eligible Employees of Jagatjit Industries Limited.	
	(b) Total number of stock options approved under the Plan	The maximum number of Options approved pursuant to the Plan are 46,00,000 (Forty six Lacs) which shall be convertible into equal number of Equity Shares of the Company.	
	(c) Vesting requirements	As per the plan, vesting period shall commence after minimum One (1) year from the grant date and it may extend upto maximum of Three (3) years from the grant date, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee of the Board.	
	(d) Exercise price or pricing formula	The Options shall be granted to the employee at face value.	
	(e) Maximum term of stock options granted	There should be a minimum period of one year between the grant of options and vesting of options and such maximum period as may be determined by the Board, but not exceeding three years. Unless otherwise decided by the Board, the options granted shall vest over three years in the manner as under:	
		On completion of Year 1 from the date of grant	20% of options granted
		On completion of Year 2 from the date of grant	30% of options granted
		On completion of Year 3 from the date of grant	50% of options granted



Boards' Report (Contd.)

	(f) Source of shares (primary, secondary or combination)	Primary																
	(g) Variation in terms of stock options	Not Applicable																
(ii)	Method used to account for the Plan - Intrinsic or fair value	Fair value																
(iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	The Company had opted for using the fair value method for expensing of the options. Hence, same is not applicable.																
(iv)	Option Movement during the year																	
Sl. No.	Particulars	Details																
1	Number of options outstanding at the beginning of the period	8,37,584																
2	Number of options granted during the year	4,83,000																
3	Number of options forfeited/lapsed during the year	0																
4	Number of options vested during the year	1,67,516																
5	Number of options exercised during the year	1,67,516																
6	Number of shares arising as a result of exercise of options	1,67,516																
7	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	₹ 16,75,160/-																
8	Loan repaid by the Trust during the year from exercise price received	Not applicable since the Scheme is implemented directly																
9	Number of options outstanding at the end of the year	11,53,068																
10	Number of options exercisable at the end of the year	0																
(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	<div>(i) Weighted average exercise price of Options outstanding at the end of the year whose:<table><tr><th>Particulars</th><th>SIP</th></tr><tr><td>Exercise price equals market price</td><td>-</td></tr><tr><td>Exercise price is greater than market price</td><td>-</td></tr><tr><td>Exercise price is less than market price</td><td>₹ 10/-</td></tr></table></div> <div>(ii) Weighted average fair value of Options outstanding at the end of the year whose:<table><tr><th>Particulars</th><th>SIP</th></tr><tr><td>Exercise price equals market price</td><td>-</td></tr><tr><td>Exercise price is greater than market price</td><td>-</td></tr><tr><td>Exercise price is less than market price</td><td>₹ 58.30/-</td></tr></table></div>	Particulars	SIP	Exercise price equals market price	-	Exercise price is greater than market price	-	Exercise price is less than market price	₹ 10/-	Particulars	SIP	Exercise price equals market price	-	Exercise price is greater than market price	-	Exercise price is less than market price	₹ 58.30/-
Particulars	SIP																	
Exercise price equals market price	-																	
Exercise price is greater than market price	-																	
Exercise price is less than market price	₹ 10/-																	
Particulars	SIP																	
Exercise price equals market price	-																	
Exercise price is greater than market price	-																	
Exercise price is less than market price	₹ 58.30/-																	



Boards' Report (Contd.)

(vi)	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to	<table><tr><th>Name & Designation of the Employee</th><th>Number of options granted during the year</th><th>Exercise Price per Share</th></tr><tr><td>Mr. Ravi Manchanda, Managing Director</td><td>1,38,000</td><td>₹ 10/-</td></tr><tr><td>Mr. Ajeet Singh, Associate Director - Institutional Sales</td><td>86,250</td><td>₹ 10/-</td></tr><tr><td>Mr. Rakesh Kumar, Unit Head - Distillery</td><td>86,250</td><td>₹ 10/-</td></tr><tr><td>Mr. Prince Garg, EVP – International Business</td><td>86,250</td><td>₹ 10/-</td></tr><tr><td>Mr. Sunil Kumar Raju –V.P. (MMF)</td><td>86,250</td><td>₹ 10/-</td></tr></table>	Name & Designation of the Employee	Number of options granted during the year	Exercise Price per Share	Mr. Ravi Manchanda, Managing Director	1,38,000	₹ 10/-	Mr. Ajeet Singh, Associate Director - Institutional Sales	86,250	₹ 10/-	Mr. Rakesh Kumar, Unit Head - Distillery	86,250	₹ 10/-	Mr. Prince Garg, EVP – International Business	86,250	₹ 10/-	Mr. Sunil Kumar Raju –V.P. (MMF)	86,250	₹ 10/-
Name & Designation of the Employee	Number of options granted during the year	Exercise Price per Share																		
Mr. Ravi Manchanda, Managing Director	1,38,000	₹ 10/-																		
Mr. Ajeet Singh, Associate Director - Institutional Sales	86,250	₹ 10/-																		
Mr. Rakesh Kumar, Unit Head - Distillery	86,250	₹ 10/-																		
Mr. Prince Garg, EVP – International Business	86,250	₹ 10/-																		
Mr. Sunil Kumar Raju –V.P. (MMF)	86,250	₹ 10/-																		
(a)	Senior managerial personnel;																			
(b)	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	–																		
(c)	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	–																		
vii.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:																			
(a)	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	<table><tr><td>The weighted-average values of share price of option granted</td><td>₹ 58.30</td></tr><tr><td>Exercise price</td><td>₹ 10/-</td></tr><tr><td>Expected volatility</td><td>₹ 49.43</td></tr><tr><td>Expected option life, (Vesting & exercise period) in years</td><td>Vesting period – Minimum 1 year and maximum 3 years</td></tr><tr><td>Expected dividends,</td><td>0.00%</td></tr><tr><td>Average Risk-free interest rate</td><td>6.43%</td></tr></table>	The weighted-average values of share price of option granted	₹ 58.30	Exercise price	₹ 10/-	Expected volatility	₹ 49.43	Expected option life, (Vesting & exercise period) in years	Vesting period – Minimum 1 year and maximum 3 years	Expected dividends,	0.00%	Average Risk-free interest rate	6.43%						
The weighted-average values of share price of option granted	₹ 58.30																			
Exercise price	₹ 10/-																			
Expected volatility	₹ 49.43																			
Expected option life, (Vesting & exercise period) in years	Vesting period – Minimum 1 year and maximum 3 years																			
Expected dividends,	0.00%																			
Average Risk-free interest rate	6.43%																			
(b)	the method used and the assumptions made to incorporate the effects of expected early exercise;	Not Applicable																		
(c)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Expected volatility was determined on the basis of historical share price of the Company.																		
(d)	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Volatility and Risk Free rate has been considered that takes care of Market Conditions.																		



Boards' Report (Contd.)

Annexure-2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members,
Jagatjit Industries Limited,
Jagatjit Nagar, Dist. Kapurthala,
Punjab- 144802

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Jagatjit Industries Limited** (hereinafter called "the Company") for the audit period covering the financial year ended on 31st March, 2023 ("Audit Period"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period under consideration complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (vi) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof the Company has complied with the laws applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India (Secretarial Standards with respect to Meeting of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India.

During the audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and other applicable Acts.

We further report that, based on the information provided and the representation made by the Company and also on the review of



Boards' Report (Contd.)

the internal compliance reports taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable industry specific Acts, general laws like Labour laws and environmental laws etc.

During the audit period, there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in

advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.

We further report that there are adequate systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

For Saqib & Associates
Company Secretaries

Sd/-
Mohd Saqib
Proprietor

Date: 14th August, 2023
Place: New Delhi

FCS : 12013; CP No.: 18116
UDIN: FO12013E000759122
Peer Review Cert. No. 2019/2022

This Secretarial Audit report of even date is to be read along with this letter:

- a) Maintenance of Secretarial and other laws records/compliance is the responsibility of the management of the Company. My responsibility is to express an opinion on such records/compliance, based on my examination.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records.

- c) We have not verified the correctness and appropriateness of the financial statements of the company.

- d) Where ever required, I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

For Saqib & Associates
Company Secretaries

Sd/-
Mohd Saqib
Proprietor

Date: 14th August, 2023
Place: New Delhi

FCS : 12013; CP No.: 18116
Peer Review Cert. No. 2019/2022

Annexure-A



Boards' Report (Contd.)

Conservation of energy, Technology Absorption and Foreign Exchange Earning and Outgo

The information under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2023 is given below and forms part of the Directors' report.

A. CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy:

Moving towards the Company's commitment for energy conservation, various steps have been taken in this regard by adopting latest technology, up gradation of existing systems and by system modifications. The highlights of these steps are as under:

- Recirculation of Steam condensate to boiler for saving of energy and water including treatment cost at Mex Plant.
- Use of Enthalpy of WORT to heat the process water and reduction in refrigeration cost.
- Converted GSP Steam Supply from high to low pressure for increasing self power generation through Turbine.
- 65 Nos. Street Lights of 250W were replaced with 90W LED Lights at Distillery section.
- Replacement of faulty steam traps in distribution system to prevent excess bleeding of steam and to improve collection of steam condensate.
- Replacement of old inefficient motors with new energy efficient motors of class IE-3 in MMF Plants (Continuous improvement).
- Use of 55 Nos. 90W LED lights for street lighting in Food Division (Continuous improvement).
- Installation of VFDs on 60 TR VAM Cooling Tower fan.
- Converted HP steam to LP steam for Mesh Kettles at N-Mex-2 to enhance self power generation through Turbine.
- Use of treated effluent water for Gardening at various locations.
- Replacement of normal induction motors with EC Motors for MMF plant No-3 AHU.
- New Air Compressor with 5 HP motor was installed in Fermentation area by replacing 100 HP motor Compressor leading to Energy savings.
- Utilization of Spent Lye and Thin slope of Alko plant in GSP process leading to savings of water and energy.
- Replacement of 40W tube lights with 24W LED bulbs in IMFL Bottling Plant.

ii. The steps taken by the Company for utilizing alternate sources of energy:

In line with Company's efforts towards utilizing alternative source of energy, the Company enhanced its self-generation from Biomass (Rice husk, wooden chips etc.) to reduce load on state power utility which is generating power from fossil fuels (Coal).

iii. The Capital investment on energy conservation equipment is ₹ 143 Lacs.

B. TECHNOLOGY ABSORPTION.

i. The Efforts made by the Company towards technology absorption, during the year are as under :

- Installation of new Optical Fiber Cable with manageable technology for various important locations like, IT Room, Milk Procurement, Dairy Plant, Central Lab, Malt House etc.
- Installation of Rotary Rinser in IMFL washing Yard area for Bottle rinsing resulting in water saving.
- Commissioning of Modified Rotary Labeling machine in CL Bottling plant replacing obsolete linear labeling machine.
- Changed ETP 11 KV power supply from over head to underground to enhance power reliability.
- Advanced version of protection system with RCBOs adopted in place of MCCBs at MMF plants.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

All the steps taken above have resulted in cost reduction, saving of labour and improvement of product quality.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NA

iv. The expenditure incurred on Research and Development.

No capital investment was made for R&D during the year under review.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

(₹ In Lacs)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Earnings in foreign currency	2874	2795
2	Expenditure in Foreign Currency (including value of Imports on C.I.F. value)	1346	1322



Annexure – 4

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's Philosophy on Corporate Governance

For Jagatjit Industries Limited, good corporate governance means adoption of best practices to ensure that the Company operates not only within the regulatory framework, but also guided by broader business ethics. The adoption of such corporate practices based on transparency and proper disclosures ensures accountability of the persons in charge of the Company and brings benefits to investors, customers, creditors, employees and the society at large.

Your Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies and practices. Under good Corporate Governance, we are committed to ensure that all functions of the Company are discharged in a professionally sound, accountable and competent manner.

The Board of Directors of the Company fully supports corporate governance practices and actively participates in overseeing risks and strategic management. The organization views Corporate Governance in its widest sense almost like a trusteeship, a progressive philosophy and ideology ingrained in the corporate culture. The governance processes and systems of your Company have strengthened over a period of time resulting in constant improvisation of sustainable growth.

2. Board of Directors

The Board of Directors of your Company has an optimum combination of executive, non-executive and women directors with more than fifty percent of the Board of Directors comprising of non-executive directors.

The Board as on 31st March, 2023 comprised of six Directors consisting of one executive and five non-executive Directors including three independent directors.

The members of the Board are drawn from various fields having considerable expertise in their respective areas. Together they bring diverse experience, varied perspectives and complementary skills and vast expertise.

All the Independent Directors have declared that they meet the criteria of 'Independence' mentioned under Regulation 16 (b) of SEBI (LODR) Regulations and Section 149 of the Companies Act, 2013 ("Act") including any amendment thereof.

The Details of Board of Directors (composition and category), attendance of each director at the meeting of the Board held during the Financial Year 2022-23 and at the last Annual General Meeting (AGM) and also their other Directorships and Committee Memberships / Chairpersonship are given below:

Name of the Director	Category	No. of Board Meetings held during the period	No. of Board Meetings attended	No. of other Directorships held as on 31 st March, 2023 *	Committee Memberships/ Chairmanship in other Companies as on 31 st March, 2023	Attendance in Last AGM
Mr. Ravi Manchanda	Executive	7	6	7	-	Yes
Mrs. Kiran Kapur	Non-Executive Independent	7	6	1	1	No
Mrs. Anjali Varma	Non-Executive Non-independent	7	7	3	-	No
Mrs. Sushma Sagar	Non-Executive Independent	7	5	1	1	No
Mrs. Asha Saxena **	Non-Executive Non-Independent	7	1	-	-	No
Ms. Vidhi Goel	Non-Executive Independent	7	5	-	-	Yes

* All other directorships are in unlisted entities.

** Appointed as a Director of the Company w.e.f. 22nd July, 2022.

Board Meetings

The Board of Directors held seven Board Meetings during the period under review i.e. on 25th April, 2022, 30th May, 2022, 22nd July, 2022, 13th August, 2022, 1st November, 2022, 14th November, 2022, and 14th February, 2023.



Inter-se relationship among Directors

None of the Directors has any inter-se relationship.

Details of shareholding of Non-Executive Directors

The details of shareholding of Non-executive Directors is as follows:

Sr. No.	Name of Director	No. of Equity shares held as on March 31, 2023
1.	Mrs. Kiran Kapur	100
2.	Mrs. Anjali Varma	100
3.	Mrs. Asha Saxena	-
4.	Mrs. Sushma Sagar	-
5.	Ms. Vidhi Goel	-

Directors' Induction and Familiarization

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance

Skills/Expertise/Competencies	Mr. Ravi Manchanda	Mrs. Kiran Kapur	Mrs. Anjali Varma	Mrs. Sushma Sagar	Mrs. Asha Saxena	Ms. Vidhi Goel
Financial and Business acumen and experience	✓	✓	✓	✓	✓	✓
Strategic thinking and planning	✓	✓	✓	✓	✓	✓
Building effective sales and marketing strategies	✓	✓	✓	✓	✓	✓
Implementation of Risk Management	✓	✓	✓	✓	✓	✓
People management and leadership	✓	✓	✓	✓	✓	✓
Corporate Governance, legal and regulatory	✓	✓	✓	✓	✓	✓

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every Financial Year, gives a declaration that he / she meets the criteria of independence as provided under law.

Your Company has issued formal appointment letters to all the Independent Directors in the manner provided under the Act. Terms and Conditions for appointment of Independent Directors are available on the website of the Company and can be accessed at www.jagatjit.com.

The Independent Directors are appointed for a period of five years which is well within the maximum tenure of Independent Directors provided under the Act and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

standards of the Company. The Managing Director and the Company Secretary are jointly responsible for ensuring such induction and such training programmes are provided to the Directors on need basis. The management provides such information and training either at the meeting of Board of Directors or otherwise. The details of such familiarization programmes for Independent Directors are posted on the website and can be accessed at www.jagatjit.com.

Skills / Expertise/ Competencies Matrix of the Board of Directors

The Company is mainly engaged in the manufacture of Indian Made Foreign Liquor (IMFL) with the individual Members of its Board of Directors bringing in knowledge and experience from a variety of sectors, demonstrating breadth and depth of management and leadership experience. The matrix below highlights the skills and expertise, which are currently available with the Board of Directors of the Company.

Brief Profile of Director(s) being appointed at the ensuing Annual General Meeting (AGM)

Brief profile of Directors being appointed at the ensuing AGM forms part of the Notice calling the 78th (Seventy Eighth) AGM and the same are not being repeated for the sake of brevity.

Board Evaluation

The process of Board Evaluation has been mentioned in the Boards' Report and the same is not being repeated for the sake of brevity.

Internal Audits and Compliance management

Messrs Mittal Chaudhry & Co., Chartered Accountants (Registration No. 002336N) were appointed as Internal Auditors of the Company for the financial year 2021-22. The Board of Directors at their meeting held on 13th August, 2022 have re-appointed them as Internal Auditors for carrying out the internal audit for the financial year 2022-23, who will also Audit and review the internal controls and operating systems and procedures of the Company. The report on findings of Internal Auditors is placed to the Audit Committee periodically.

Separate Meeting of the Independent Directors

In terms of the provisions of Schedule IV of the Act read with regulation 25 of SEBI (LODR) Regulations, the Independent Directors are required to meet at least once in a financial year without the presence of non-independent Directors and members of the Management.



During the Financial Year 2022-23 the Independent Directors met on February 14, 2023 and *inter alia* discussed:

- The performance of non-Independent Directors and the Board as a whole.
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to formal meetings, interactions outside the Board Meetings also take place between the Managing Director and the Independent Directors.

3. Audit Committee

As on 31st March, 2023 the Audit Committee comprised of Mrs. Kiran Kapur, Mr. Ravi Manchanda, Mrs. Sushma Sagar and Ms. Vidhi Goel. Mrs. Kiran Kapur, Independent Director, is the Chairperson of the Audit Committee.

The terms of reference of this Committee cover the matters specified for Audit Committee under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

During the year under review the Audit Committee held four meetings i.e. on 30th May, 2022, 13th August, 2022, 14th November, 2022 and 14th February, 2023.

Attendance record of Audit Committee members

Sr. No.	Name of Members	No. of meetings held during the period	Meetings attended
1	Mrs. Kiran Kapur	4	3
2	Mr. Ravi Manchanda	4	4
3	Mrs. Sushma Sagar	4	2
4	Ms. Vidhi Goel	4	3

4. Nomination and Remuneration Committee

As on 31st March, 2023 the Nomination and Remuneration Committee comprised of Mrs. Kiran Kapur, Mrs. Anjali Varma and Ms. Vidhi Goel. Mrs. Kiran Kapur, Independent Director, is the Chairperson of the Nomination and Remuneration Committee.

The functions and terms of reference of the Committee are as prescribed under Section 178 of the Act and Regulation 19 of the SEBI (LODR) Regulations. The Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall also specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and reviews its implementation and compliance. The Committee also formulates the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to

the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

Remuneration policy of the Company is such as to retain the employees on long term basis and is comparable with other industries in the region.

During the year under review, the Nomination and Remuneration Committee held three meetings i.e. on 25th April, 2022, 22nd July, 2022 and 6th February, 2023.

Attendance record of Nomination and Remuneration Committee members

Sr. No.	Name of Members	No. of meetings held during the period	Meetings attended
1	Mrs. Kiran Kapur	3	3
2	Mrs. Anjali Varma	3	3
3	Ms. Vidhi Goel	3	2

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Policy of the Company lays down the criteria for Directors' / Key Managerial Personnels' appointment and remuneration including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-Executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the SEBI (LODR) Regulations as well as the performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated includes participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Mrs. Kiran Kapur, Mr. Ravi Manchanda and Ms. Vidhi Goel. Mrs. Kiran Kapur, Independent Director is the Chairperson of the Stakeholders Relationship Committee.

Mr. Roopesh Kumar, Company Secretary is the Compliance Officer of the Committee.

The functioning and terms of reference of the Committee are as prescribed under Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations. The Committee focuses primarily on monitoring expeditious redressal of investors' / stakeholders' grievances and also functions in an efficient manner that all issues / concerns of the stakeholders are addressed / resolved promptly.

The Company has not received any complaint from shareholders during the Financial Year ended 31st March, 2023.

During the year under review the Stakeholders Relationship Committee held one meeting on 14th February, 2023.



Attendance record of Stakeholders Relationship Committee members

Sr. No.	Name of Members	No. of meetings held during the period	Meetings attended
1	Mrs. Kiran Kapur	1	1
2	Mr. Ravi Manchanda	1	1
3.	Ms. Vidhi Goel	1	-

The Company has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. However, the Company is not required to constitute Risk Management Committee of the Board of Directors.

Prohibition of Insider Trading

With a view to regulate trading in securities by the Directors and designated employees on the basis of Unpublished Price Sensitive Information available to them by virtue of their position in the Company, the Company has adopted a Code of Conduct for Prohibition of Insider Trading as per SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has also adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information for adhering to the principles of Fair Disclosure as per the SEBI (Prohibition of Insider Trading) Regulations, 2015, which is available at the website of the Company and can be accessed at www.jagatjit.com.

6. Remuneration of Directors

Payment to Non-Executive Directors including all pecuniary relationship or transactions of Non-Executive Directors

The non-executive directors are not paid any remuneration other than sitting fees for attending Board and Committee Meetings. The details of sitting fee paid during the year are as follows:

Sl. No.	Name of the Directors	Total Sitting Fees Paid (₹)
1.	Mrs. Kiran Kapur	2,60,000
2.	Mrs. Anjali Varma	2,00,000
3.	Mrs. Sushma Sagar	1,40,000
4.	Ms. Vidhi Goel	2,00,000
5.	Mrs. Asha Saxena	20,000

There has been no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year except the sitting fees paid to them as detailed above.

Payment to Executive Director

During the period under review, Mr. Ravi Manchanda, Managing Director was paid remuneration as under:

Sr. No.	Name of the Director	Salary (₹)	*Perquisites & others (₹)	Total (₹)
1	Mr. Ravi Manchanda	46,42,800	1,56,415	47,99,215

* includes contribution to Funds and other allowances

Service contract, severance fee and notice period of the Executive Director:

The appointment of the Managing Director is governed by resolution passed by the Shareholders of the Company, which covers the terms and conditions of such appointment, read with the service rules of the Company. No notice period or severance fee is payable to any Executive Director.

7. General Body Meetings

The AGM for the years 2020, 2021 and 2022 were held through Video Conferencing (VC) / Other Audio Visual Means (OAVM), for which purpose the Registered Office of the Company situated at Jagatjit Nagar, Distt. Kapurthala-144802, Punjab, was deemed as the venue for the Meeting. The dates and times of the meetings and details of special resolutions passed were as follows:

Sr. No.	Year	Date	Day	Time	Brief Description of Special Resolutions passed
1	2020	31 st December, 2020	Thursday	10.30 a. m.	NIL
2	2021	30 th September, 2021	Thursday	10.30 a. m.	<ul style="list-style-type: none"> To re-appoint Mr. Ravi Manchanda (DIN: 00152760) as Managing Director of the Company. To approve "Jagatjit Industries Limited Stock Incentive Plan, 2021" and grant of employee stock options to the eligible employees of the Company To approve "Jagatjit Industries Limited Stock Incentive Plan, 2021" and grant of employee stock options to the eligible employees of a group company including its subsidiary(ies) or its associate company(ies) and/or of holding company(ies).
3	2022	30 th September, 2022	Friday	10.30 a. m.	<ul style="list-style-type: none"> Continuation of Mr. Ravi Manchanda (DIN 00152760) as Managing Director of the Company upon attaining the age of Seventy years and his re-appointment for a further period of two years Appointment of Mrs. Asha Saxena (DIN: 08079652) as a Director liable to retire by rotation



Extraordinary General Meeting(s)

Apart from the AGM, no other General Meeting was held during the Financial Year 2022-23.

Postal Ballot

During the Financial Year 2022-23, no resolution was passed through postal ballot.

No Resolution is proposed to be conducted through Postal Ballot as required under Rule 22 of Companies (Management and Administration) Rules, 2014.

Further, Resolutions, if required, shall be passed by Postal Ballot as per the prescribed procedure under the Act and SEBI (LODR) Regulations.

8. Means of Communication

The Quarterly and Annual Financial Results of the Company are submitted to the Stock Exchange and are published in the newspapers as required under the SEBI (LODR) Regulations. The results are also displayed on the website of the Company www.jagatjit.com under the heading "Investors". The same are also forwarded to the Shareholders on their request.

9. General Shareholders Information

a) Annual General Meeting

Date	: 29 th September, 2023
Time	: 10.30 a.m.
Venue	: Through Video Conferencing (VC) / Other Audio Visual Means (OAVM) or as permitted by the relevant Statutory Authorities
Annual Book Closure	: Monday, 25 th September, 2023 to Friday, 29 th September, 2023 (both days inclusive)

b) **Financial Year** : 01st April, 2022 to 31st March, 2023

c) Financial Calendar (2023-24) (tentative)

- (i) First Quarter Results : By 14th August, 2023
- (ii) Second Quarter Results : By 14th November, 2023
- (iii) Third Quarter Results : By 14th February, 2024
- (iv) Annual Results for the year ending 31st March, 2024

d) Dividend Payment Date

The Board of Directors has not recommended any dividend for the year under review.

e) Listing on Stock Exchange

The equity shares of the Company are listed as per details given below:

Sr. No.	Name and Address of the Stock Exchange	Stock code
1	BSE Limited, 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai-400 001	507155

The Annual Listing Fees for the Financial Year 2023-24 have been paid to the BSE Limited.

f) Stock Market Data for the period 01st April, 2022 to 31st March, 2023 at the BSE Limited

The monthly high and low share prices of the Company in ₹ and the Sensex during the last financial year at the BSE are as follows

Month	High	Low	Sensex High	Sensex Low
April, 2022	70.45	61.20	60845.10	56009.07
May, 2022	66.00	56.10	57184.21	52632.48
June, 2022	61.90	53.10	56432.65	50921.22
July, 2022	61.20	53.20	57619.27	52094.25
August, 2022	66.95	57.10	60411.20	57367.47
September, 2022	68.35	58.00	60676.12	56147.23
October, 2022	83.25	61.00	60786.70	56683.40
November, 2022	83.00	72.25	63303.01	60425.47
December, 2022	89.95	75.00	63583.07	59754.10
January, 2023	123.70	88.70	61343.96	58699.20
February, 2023	104.55	86.00	61682.25	58795.97
March, 2023	96.95	87.04	60498.48	57084.91



g) Registrar and Transfer Agent

In line with the guidelines of the Securities and Exchange Board of India and to provide better services to its shareholders, the Company is doing all the share registry related work in-house.

h) Share Transfer System

The Board has delegated the authority for approving transfer, transmission, transposition, dematerialisation of shares etc. to the Share Transfer Committee. A summary of transactions so approved by the Committee is placed at the next Board Meeting. The Company obtains an annual certificate from Practising Company Secretaries as per the requirement of Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchange.

In terms of amended Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while

processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/ consolidation of securities, transmission/ transposition of securities etc. Further SEBI vide its Circular dated 25th January, 2022, has clarified that listed entities shall now issue a Letter of Confirmation in lieu of the share certificate[s] while processing any of the aforesaid investor service request. The Company is making due compliance with the relevant regulations/circulars.

Simplified Norms for processing Investor Service Request

Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13, which is available on the website of the Company. Further, SEBI vide its Circular dated 16th March, 2023 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for the Nomination.

i) Distribution of Shareholding as on 31st March, 2023

Category (in ₹)	No. of Shareholders	% of Share Holders	No. of Shares held	% of Shareholding
Upto - 5000	3482	81.53	363363	0.79
5001 - 10000	322	07.54	237864	0.51
10001 - 20000	187	04.38	280132	0.61
20001 - 30000	82	01.92	205826	0.44
30001 - 40000	37	00.86	128109	0.28
40001 - 50000	26	00.61	124394	0.27
50001 - 100000	68	01.59	469409	1.01
Above - 100000	67	01.57	44506531	96.09
Total	4271	100.00	46315628	100.00

j) Shareholding pattern as on March 31, 2023

Sr. No.	Category	No. of Shares held	% of total shareholding	% of Voting Rights
1.	Promoters' Holding	1,56,45,365	33.78	92.04
2.	Mutual Funds & UTI	6300	0.01	0.01
3.	Banks, Financial Institutions, Govt. Companies	1772	0.00	0.00
4.	Private Corporate Bodies	22,20,481	4.79	3.24
5.	NRIs/FIIs (other than Promoters)	2,24,007	0.48	0.33
6.	Indian Public	30,07,703	6.49	4.38
	Total	2,11,05,628	45.57	100.00
7.	GDRs (Underlying Shares)	2,52,10,000	54.43	-
	Grand Total	4,63,15,628	100.00	100.00

The Company does not have any share lying in the demat suspense account or unclaimed suspense account.

k) Outstanding GDRs.

The Company has issued 12,60,500 GDRs in overseas market representing 2,52,10,000 underlying equity shares. GDRs have not been converted into equity shares. GDRs do not carry voting rights.

l) Dematerialisation of Shares and Liquidity.

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March,



2023, 1,94,84,100 equity shares being 42.07 % of the total paid-up Capital have been dematerialised.

m) Plants Location

The Company has following plants:

Sr. No.	Location
1.	Jagatjit Nagar, Distt. Kapurthala - 144 802, Punjab
2.	Plot No. SP 1-3, Sotanala, RIICO Industrial Area, Behror, Distt. Alwar -301 701, Rajasthan

n) Commodity price risk or foreign exchange risk and hedging risk.

The details for the same have been provided in the Notes to Financial Statements of the Company for the Financial Year 2022-23.

o) Address for Correspondence

Registered Office : Jagatjit Industries Limited
Jagatjit Nagar,
Distt. Kapurthala -144 802, Punjab
Tel: 0181- 2783112-16
Fax: 0181-2783118
E.mail: hamira@jagatjit.com

Corporate office : Jagatjit Industries Limited
4th Floor, Bhandari House,
91, Nehru Place,
New Delhi-110 019.
Tel: 011- 26432641-42
E.mail: jil@jagatjit.com

Investor E.-mail address : Investor@jagatjit.com

p) Credit Rating ACUTE BB- / Outlook: Stable

10. Other Disclosures

- Related Party Transactions: Please refer the Board's Report for details on Related Party Transactions and Materially Significant Related Party Transactions that may have potential conflict with the interests of Company at large, during the year ended 31st March, 2023.
- There has not been any non-compliance, penalty or stricture imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- Whistle Blower Policy: In compliance with Section 177 of the Act and the SEBI (LODR) Regulations, the Company has formulated a Whistle Blower Policy for employees which has been uploaded on the website of the Company at www.jagatjit.com.

Under the Vigil Mechanism Policy, the protected disclosures can be made by a victim through an e-mail or a letter to the Vigilance Officer or to the Chairperson of the Audit Committee.

The Policy provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provides for direct access to

the Vigilance Officer or the Chairperson of the Audit Committee, in exceptional cases. No personnel of the Company has been denied access to the Audit Committee. The main objective of this policy is to provide a platform to Directors and employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the Company which have a negative bearing on the organization either financially or otherwise.

This policy provides an additional channel to the normal management hierarchy for employees to raise concerns about any such breaches of the Company's Values or instances of Company's Code of Conduct violations. Therefore, it is in line with the Company's commitment to open communication and to highlight any such matters which may not be getting addressed in a proper manner. During the year under Report, no Complaint was received.

- Policy for Determination of Material Subsidiary can be accessed at www.jagatjit.com.
- Policy on Related Party Transactions can be accessed at www.jagatjit.com.
- The Company has followed all the mandatory requirements prescribed under SEBI (LODR) Regulations.
- On the basis of written representations/ declaration received from the directors, as on 31st March, 2023, M/s Saqib & Associates, Company Secretaries, has issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by SEBI/ MCA or any such authority.
- Your Board affirms that, there are no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.
- Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
Your Company is committed to providing and promoting a safe and healthy work environment for all its employees. The Company has in place an Anti Sexual Harassment policy in line with the requirements of The Sexual Harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.
 - number of complaints filed during the financial year - Nil
 - number of complaints disposed of during the financial year - Nil
 - number of complaints pending as on end of the financial year - Nil
- The Company has complied with Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46 of the SEBI (LODR) Regulations.



11. Code of Conduct

The Board of Directors has adopted a Code of Conduct for Directors and Senior Management of the Company. An annual affirmation of compliance with the Code of Conduct is taken from all the Directors and Senior Management members of the Company to whom the Code applies. The Code of Conduct has also been posted at the website of the Company www.jagatjit.com. Managing Director's affirmation that the Code of Conduct has been complied with by the Board of Directors and Senior Management is produced elsewhere in the report.

For and on behalf of the Board
For **Jagatjit Industries Limited**

Ravi Manchanda
Managing Director
(DIN.00152760)

Sushma Sagar
Director
(DIN.02582144)

Date : 14th August, 2023
Place : New Delhi



CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
JAGATJIT INDUSTRIES LIMITED
Jagatjit Nagar, Dist. Kapurthala - 144 802
Punjab

1. We have examined the compliance of conditions of Corporate Governance by M/s JAGATJIT INDUSTRIES LIMITED ("the Company"), for the year ended on March 31, 2023, as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the year ended March 31, 2023.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Saqib & Associates
Company Secretaries

Sd/-
Mohd Saqib
Proprietor

FCS : 12013; CP No. 18116
UDIN: FO12013E000759111
Peer Review Cert. No. 2019/2022

Date: 14th August, 2023
Place: New Delhi



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
Jagatjit Industries Limited
Jagatjit Nagar, Distt. Kapurthala
Punjab - 144802

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Jagatjit Industries Limited having CIN **L15520PB1944PLC001970** and having its registered office at Jagatjit Nagar, Distt. Kapurthala Punjab - 144802 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that None of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of Appointment in Company
1	Mr. Ravi Manchanda	00152760	06/10/2008
2	Mrs. Kiran Kapur	02491308	27/11/2008
3	Mrs. Anjali Varma	01250881	21/04/2014
4	Mrs. Asha Saxena	08079652	22/07/2022
5	Mrs. Sushma Sagar	02582144	15/03/2018
6	Ms. Vidhi Goel	09031993	18/01/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Saqib & Associates
Company Secretaries

Sd/-
Mohd Saqib
Proprietor

M. No. F12013, CP No. 18116
UDIN: FO12013E000759091
Peer Review Cert. No. 2019/2022

Place : New Delhi
Date : 14.08.2023



CEO/ CFO CERTIFICATION

**The Board of Directors
Jagatjit Industries Limited
Jagatjit Nagar, Distt. Kapurthala
Punjab - 144802**

I hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2023 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date : 14th August, 2023
Place : New Delhi

Sd/-
Anil Vanjani
Chief Executive Officer & CFO



Management Discussion & Analysis

Economic Overview

The Indian economy is staging a broad-based recovery across sectors, positioning to ascend to the pre-pandemic growth path in financial year 2022-23. Continuing the recovery from the triple blow of pandemic-induced contraction, Russian-Ukraine conflict and inflation, India's GDP growth is expected to remain robust in financial year 2023-24. GDP forecast for financial year 2023-24 to be in the range of 6 to 6.8%, while the latest IMF's World Economic Outlook forecasts India's growth at 5.9% in financial year 2022-23 and at 6.3 % in financial year 2023-24. The Indian economy is well placed to grow faster in the coming decade once the global shocks of the pandemic and the spike in commodity prices fade away.

While India's retail inflation rate peaked at 7.8% in April 2022, above the RBI's upper tolerance limit of 6.0%, the overshoot of inflation above the upper end of the target range in India was however one of the lowest in the world. Retail inflation was back within RBI's target range in November 2022. The capital expenditure of the Central Government and crowding in the private capex led by strengthening the balance sheets of the corporates is one of the growth drivers of the Indian economy in the current financial year.

[Source: <https://www.ibef.org/economy/economic-survey-2022-23>]

Tentative signs in early 2023 suggests that the world economy could achieve a soft landing with inflation coming down and growth steady, have receded amid stubbornly high inflation and recent financial sector turmoil. Although inflation has declined as central banks have raised interest rates and food and energy prices have come down, underlying prices pressure are proving sticky, with labor markets tight in a number of economies. Policymakers have taken forceful actions to stabilize the banking system.

On the surface, the global economy appears to be poised for a gradual recovery from the powerful back-to-back blows of the pandemic and the conflict and the synchronous tightening of monetary policy by most central banks should help see inflation move backwards too. Global growth is expected to bottom out at 2.8% in 2023 before rising modestly to 3.0% in 2024. Global headline inflation is set to fall from 8.7% in 2022 to 7.0% in 2023 on the back of lower commodity prices, but underlying (core) inflation is likely to decline more slowly. Below the surface, supply-chain disruptions are unwinding, as disruptions to energy and food markets are receding, however, Inflation remains much stickier than anticipated.

[Source: IMF Global Economic Outlook, April' 23]

Industry Overview

India is one of the fastest growing liquor markets in the world. Alcoholic beverages manufacturing is considered a sunrise industry due to high growth potential and increasing social acceptance. The Indian made foreign liquor (IMFL) segment constituted 65% in

terms of valuation in the Indian liquor industry. This segment is divided into whiskey, rum, brandy, vodka and gin. Growth in urban population coupled with the increasing disposable income is projected to propel the market growth of alcoholic beverages. As per latest data available with global agency IWSR, nearly two thirds of spirits sales in India is accounted for by whiskey. The share of the imported whiskey is estimated at 3.3% of the pie and is projected to rise to 3.7% of the whiskey market by 2027. The numbers suggest that even with a projected 3.8% growth over the next five years, Indian made whiskey will control over 96% of the market.

Unlike other emerging economies, alcoholic beverage Industry in India continues to remain quite traditional and is controlled by State Governments. The governance and pricing models for alcoholic beverages vary widely across the states. The states through their excise policies control the entire supply chain of alcoholic beverages from manufacturing and distribution to registration and retail. There are frequent and ad-hoc changes in these policies, creating uncertainty and preventing manufacturers/ distillers to plan their investments. Despite this, India is still one of the fastest growing alcohol markets in the world.

In view of the future growth potential of the liquor industry in India, the Liquor Market continue to be mirrored by consumer trend towards premiumisation, motivated by rising affluence, globalised outlook, urbanisation and progressive lifestyles.

The Extra Neutral Alcohol (ENA) market in India size reached INR 97.7 billion in the year 2022. The market is expected to reach INR 125.1 billion by the year 2028, exhibiting a growth rate (CAGR) of 4.1% during 2023-2028. ENA is the primary raw material for producing alcoholic beverages. It typically contains 96% of alcohol by volume. The increasing production and consumption of potable alcohol, which is produced from ENA in India, is fuelled by increasing number of distilleries and microbreweries, rising collaboration of various alcohol beverage brands and the growing need for prescription drugs, which are among the key factors driving the market growth. [Source: IMARC Group Market Overview 2023-2028]

Business Overview

Jagatjit Industries Limited (the Company or Jagatjit) was set up in 1944 in the State of Punjab. Its business comprises of manufacturing and sale of Extra Neutral Alcohol (ENA), Indian Made Foreign Liquor (IMFL), Country Liquor (CL), Malted Milk Food (MMF), Malt Extract (MEX) and Real Estate. The Company has a rich IMFL product portfolio including Whiskies (Blended Indian whiskies and Scotch), Gin, Rum, Brandy and Vodka. The turnaround strategy envisioned in the year 2019 led to significant changes. The improved profitability has instilled confidence in our investors, strengthened our market position, and laid a solid foundation for sustainable growth and success in the future.

Your Company's focus is the operationalization of our grain-based ethanol manufacturing plant by 2024, which is a crucial step in



Management Discussion & Analysis (Contd.)

order to significantly contribute to our Company's revenues and profitability. The Company is also aiming to broaden the consumer base and fuel further growth, eventually reaching 22 states. The Company is continuously focusing on production of Extra Neutral Alcohol (ENA) and it had positive bearing on the performance of the Company in Financial Year 2022-23 by utilising its capacity and expects reasonable overall growth in future years also.

Operational Overview

A) Liquor

The Company's primary focus is in the business of manufacturing, distributing and selling of IMFL brands with intent to provide superior brands at affordable prices. During Financial Year 2022-23, the Company sold 3.15 million IMFL cases. The Company is also engaged in manufacturing of Country liquor in the state of Punjab & Rajasthan, where it recorded volume of around 2.07 million cases. The Company is continuously focusing on production of Extra Neutral Alcohol (ENA) and it had positive bearing on the performance of the Company in financial year 2022-23 by utilising its capacity and expects reasonable overall growth in future years also.

B) Malted Milk Foods and Dairy Products

The Company has a food division with its own malt house, malt extract plant and a malted milk food manufacturing unit. The malted milk food division (MMF) has four units of tray drying and one unit of spray drying with a total manufacturing capacity of 100 MT per day of high-quality malted milk food. Presently the Company manufactures around 30000 MT per annum Malted Milk Food nutritional powder for Hindustan Unilever Limited under the Brand name of Horlicks and Boost.

The Company's modern malt house produces malt from the best barley sourced under strict inspection and quality control processes from selected farms in Punjab and Rajasthan. This malt is utilised for its own requirements in both the divisions – malted milk food division and distillery. It makes two malt grades – food and distillery grade. Food grade malt is being used for manufacturing of cereal extract and being supplied to M/s Hindustan Unilever Limited for further contract manufacturing of malted milk food and to M/s Continental Milkose (India) Limited.

C) International Brand Portfolio

In the international market too, Jagatjit has IMFL product portfolio at various price points. Jagatjit is continuously working to fortify its footprint in the international market with new blends and contemporary packaging. The Company is also planning to expand its export markets from 13 to 15 countries, with Nigeria and Russia as the new destinations for export. The objective of Jagatjit is to gain a sizeable share of volume in the international market in next few years.

D) Real Estate

Jagatjit has various real estate properties. Out of these properties, two main properties, one in Gurugram and other in New Delhi, have been leased out to earn rental income. Its Gurugram property, comprising of approximately 2,00,000 Sq. Ft., is spread over 4 acres of land. The property at Connaught Place, New Delhi, comprises of two floors at Ashoka Estate admeasuring approximately 23,000 Sq. Ft area.

Financial Review

During FY 2022-23, Jagatjit's total income (including income from services and other sources) stood at ₹ 625.61 Crores, as compared to ₹ 503.92 Crores registering a growth of 24 % over the previous year.

Jagatjit's beverages segment clocked gross revenue of ₹ 335.44 Crores, as compared to ₹ 269.94 Crores during the previous year. Its food segment clocked revenue of ₹ 155.23 Crores, as compared to ₹ 162.36 Crores during the previous year.

	Amount (₹ Crores)	
	FY 22-23	FY 21-22
Total Income	625.61	503.92
Material Consumption	296.13	250.45
Excise Duty	76.11	6.19
Staff Costs	73.34	70.24
Others	130.90	137.43
EBITDA	49.13	39.61
Finance Cost	30.51	28.82
Depreciation	10.01	9.96
Profit before tax and exceptional items	8.61	0.83
Exceptional items: Income	0	0
Profit Before Tax	8.61	0.83
Tax	0	0.04
Profit/(Loss) After Tax from continuing operations	8.61	0.79
Profit After Tax from discontinuing operations	0.58	(0.17)
Other Comprehensive Income/ (Loss)	1.43	0.27
Total comprehensive Profit After Tax	10.62	0.89

The total raw material cost is at ₹ 296.13 Crores, as compared to ₹ 250.44 Crores during the previous year, Excise duty is at ₹ 76.11 Crores, as compared to ₹ 6.19 Crores during the previous year, Employee costs is at ₹ 73.34 Crores, as compared to ₹ 70.24 Crores during the previous year. The Company earned an EBITDA of ₹ 49.13 Crores, as compared to an EBITDA of ₹ 39.61 Crores during the previous year.



Management Discussion & Analysis (Contd.)

Jagatjit earned a profit before taxation of ₹ 8.61 Crores from continuing operations, as compared to profit before taxation of ₹ 0.83 Crores during the previous year. The total comprehensive profit after tax during the year was ₹ 10.62 Crores, as compared to a comprehensive profit of ₹ 0.89 Crores during the previous year.

KEY FINANCIAL RATIOS

Particulars	2022-23	2021-22	Justification/ Remarks for significant changes
Debtors Turnover Ratio (Days)	19	22	-
Inventory Turnover Ratio (Days)	50	53	-
Interest Coverage Ratio	1.38	1.37	-
Current Ratio	0.57	0.54	-
Debt Equity Ratio	3.54	4.54	-
Operating Profit Margin %	6.7	6.6	-
Net Profit Margin %	1.58	0.14	Due to increase in the revenue from operations and other income.
Return on Net Worth#	-	-	N.A.

Outlook

At Jagatjit, it is a continuous endeavour to modernize technology and upgradation of facilities as way to future growth of the business. The Company is on the path of focusing on the increased productivity, upgradation of manufacturing facilities, optimisation of cost for providing value to its customers and stake holders. It is a multifaceted endeavour to take care long term interest of all stakeholders including society. The Company is working hard to streamline and invest in high contribution brands, develop international markets, and optimize its workings for long term benefit of all.

Risks & Concerns

Risk is an integral and unavoidable component of business. Given the challenging and dynamic environment of operations, your company is committed to manage risk for accomplishment of its goals.

Though risks cannot be eliminated, an effective risk management program ensures that risks are reduced, avoided, mitigated or shared. Following are the identified key business risks of the Company:

Nature of Risk	Risk description	Mitigation Measure(s)
Regulatory risk	Jagatjit operates in a sector which is highly exposed to the risk of changing regulations.	Jagatjit closely monitors the regulatory environment and prepares for any foreseeable changes. In addition, its team of expert and experienced professionals ensures prompt and appropriate measures to meet the changes in regulatory framework. At all times, the Company ensures strict adherence to laws and policies.
Inflation and cost of production risk	Jagatjit like other companies is part of Indian economy and is facing risk of inflation and high fluctuation in commodity prices.	The Company's long-standing relationship with most suppliers ensures steady availability of raw materials at competitive prices. It is also striving to reduce costs by value engineering in dry and wet goods and by using standardized packaging material in all segment of business.
Innovation risk	Innovation is ensuring sustainable growth in a market where there are restrictions on advertisement of alcohol.	The Company is always looking to innovate and renovate to provide high quality products to its customers at affordable rates.
Economic risk	The performance of the Company is dependent on robust consumption, led by rising income levels. This in turn is dependent on robust economic growth, cost of inputs, labour costs and on the basis of disposable income.	The Company is focused on driving agility and responsiveness across the value chain. Jagatjit has its presence in several international markets. A good presence in international markets reduces dependence on domestic consumption.



Management Discussion & Analysis (Contd.)

Nature of Risk	Risk description	Mitigation Measure[s]
Credit Risk	Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty defaults on its obligations.	The Company's exposure to credit risk arises majorly from loan, advances, trade and other receivables. The Company management reviews trade receivables/ advances on periodic basis and take necessary mitigative measures, wherever required.
Liquidity Risk	Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities.	The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities as and when arises under normal and stressed conditions.

Internal Controls

The Company has sound internal financial controls (IFC) systems, which facilitates orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The internal control system facilitates optimum utilisation of available resources to ensure the protection of interest of all the stakeholders.

The Company's policies, guidelines and procedures are designed keeping in mind the nature, size and complexity of its business environment and operations. The Company maintains a proper and adequate system of internal controls which provides for automatic checks and balances. Its resilience and focus is driven to a large extent by its strong internal control systems for financial reporting, supported by a strong set of Management Information Systems.

Jagatjit has well established internal control mechanism supported by internal audit carried out by professional firms which helps in ensuring strict adherence to policies, safeguarding of its assets and timely preparation of financial statements, documents and reports.

Human Resources

At Jagatjit, we are committed to sustainable work practices and a transparent work culture which helps in attracting and retaining the talented people in the industry. The Company continues to focus on employee core connect, engagement, learning and development to build a workplace that is safe engaging and productive. Employees

are presented with various learning opportunities to enhance career growth.

The Company believes that its human resources are the key enablers for the growth of the Company and, therefore, an important asset. Taking this into account, the Company continues to invest in developing its human capital and establishing its brands in the market to attract and retain the best talent. The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills, enabling them to seamlessly evolve with ongoing technological advancements. Jagatjit boasts of well-defined HR policies which ensure alignment of personal goals with professional growth. As on 31st March, 2023 its human capital stands at around 1563 employees, including permanent factory workmen. Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and the Company is committed to maintaining good relations with the employees.

Cautionary statement

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may be forward-looking statements. Actual results may differ from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's operations include economic and political conditions in India and other countries in which the Company operates, volatility in interest rates, changes in government regulations and policies, tax laws, statutes and other incidental factors.

Standalone Financial Statements

Independent Auditors' Report	42
Balance Sheet	51
Statement of Profit and Loss.....	52
Cash Flow Statement	53
Statement of Changes in Equity.....	55
Notes on Financial Statements	56

Consolidated Financial Statements

Independent Auditors' Report	101
Balance Sheet	108
Statement of Profit and Loss.....	109
Cash Flow Statement	110
Statement of Changes in Equity.....	112
Notes on Financial Statements	113



Independent Auditor's Report

TO THE MEMBERS OF JAGATJIT INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Jagatjit Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, notes to the standalone financial statements, including a summary of the 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of matter:

We draw attention to the below mentioned notes to the accompanying standalone financial statements which more fully describes the matters.

Note No 6(ii)(b) regarding loan to ex-employee, Note No 9(i) regarding slow/non-moving inventory, Note No 12(i) regarding pending approval from UPSIDC, Note No 17(iv) regarding business surplus payable to ex-franchise partner, Note no 22(ii),(iii) and (iv) regarding the liability no longer required and items of exceptional nature, Note No 39(i) regarding going concern.

Our opinion is not qualified 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, 2023. 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 Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p>1) Litigation Matters:</p> <p>[as described in note 32 of the financial statements]</p> <p>The company operates in various states within India, exposing it to a variety of different Central and State Laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigation and claims.</p> <p>Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceeding, legal proceedings including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims.</p> <p>At March 31, 2023, the Company's contingent liabilities for legal matters were ₹ 1069 Lakhs (Previous year: ₹ 1134 Lakhs)</p>	<p>Our procedures included the following:</p> <p>Obtained an understanding of the Company's process with respect to completeness and recognition of tax contingencies/ claims and provisions.</p> <ul style="list-style-type: none"> Read the confirmations, on sample basis, from the Company's external legal counsel on tax litigations and evaluated the independence, objectivity and competency of the Company's specialists involved. Read relevant tax laws and discussed with the management, to understand the underlying matters in the demand orders / notices and basis for management judgement and estimates



The Key Audit Matter	How the matter was addressed in our audit
<p>The most significant contingent liability pertains to protective disallowance of sales promotion expenses of ₹ 5657 Lakhs and substantive disallowance of purchases of ₹ 107 Lakhs related to AY 2009-10 to 2013-14 (Previous year: ₹ 5657 Lakhs and ₹ 107 Lakhs) under Income Tax Act.</p>	<ul style="list-style-type: none"> • Included tax specialists in our team to perform an evaluation of assumptions used by the management and relevant judgements passed by the authorities, including the interpretation of the relevant tax laws. • Perused the orders of Assessing officer Appellate authorities and the related Jurisdictional High Court judgment on the matter substantially in favour of Company. Assessed the related disclosures in the standalone financial statements for compliance with disclosure requirements.
<p>2) Revenue recognition from sale of products/ Royalty and Franchise agreements</p> <p>(Note no 21 of the standalone financial statements)</p> <p>Revenue from sale of products is recognised when control of products has been transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives. Revenue generated on account of Royalty as per commercial agreements is subject to waiver in respect of Minimum Guarantee Quantum based on the premise of commercial expediency.</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/ royalty and franchise business including those relating to discounts and incentives. • Understood, evaluated and tested on sample basis the design and operating effectiveness of key internal controls over recognition and measurement of revenue, discounts, and incentives. • Performed test of details on a sample basis and inspected the underlying accounting documents relating to sales and accrual of discounts and incentives. • Tested on a sample basis, sales transactions during the year. • Performed analytical procedures on revenue on all streams. • Assessed the disclosures in the standalone financial statements in respect of revenue, discounts and incentives for compliance with disclosure requirements.
<p>3) Provision for trade receivables</p> <p>(as described in note 10 of the standalone financial statements) Trade receivable balances of ₹ 6259 Lakhs (Previous year: ₹ 7755 Lakhs) represent significant portion of the total assets as at March 31, 2023. Provision for expected credit loss at reporting date is significant at ₹ 3562 Lakhs (Previous year: ₹ 4438 Lakhs). Trade receivables include dues from state government corporations, distributors, retailers contract manufacturing units and franchise partners. The Company records expected credit loss for unsecured trade receivables based on defined policy following simplified approach and wherever management considers necessary applying its judgment and estimates at the reporting date provisions are reviewed. No significant provision for expected loss is made during the year. The state corporations make deductions in respect of various claims which are accounted on receipt of confirmations.</p> <p>Timing of collection of dues from customers may differ from the contractual credit period. Significant judgment is involved in management estimates of the amounts unlikely to be ultimately collected.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Understood, evaluated and tested on a sample basis the design and operating effectiveness of internal controls over trade receivables. • Performed audit procedures on existence of trade receivables, which included reading and comparing balance confirmations with books of account, testing subsequent receipts and testing sales transactions on a sample basis. • Evaluated the assumptions used by management to calculate the expected credit loss for trade receivables through audit procedures which included analysis of ageing, past trend of bad debts write-off. • Assessed the disclosures in the standalone financial statements for compliance with disclosure requirements.
<p>4. Insurance Claim ₹ 237 Lakhs [as described in Note No 22(iv)(a) of standalone financial statements].</p>	<p>Our procedures included the following:</p> <p>Assessed and evaluated the design and operation of prevalent internal control, Perused the surveyor's report and the order of the National Consumer Disputes Redressal Commission.</p>



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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report etc. included in Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. In connection with the information included in the Annual report i.e Directors Report, Management Discussion and Analysis, Corporate Governance Report, 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 this fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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



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

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

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

Report on Other Legal and Regulatory Requirements

1 As required by Section 143(3) of the Act, 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 flow 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 with Companies [Indian Accounting Standards] Rules 2015, as amended.
 - (e) on the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act read with schedule V, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies [Audit and Auditors] Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year and therefore the requirement of compliance of Sec 123 of the Act are not applicable.



2. As required by the Companies (Auditor's Report) Order, 2020 [the "Order"] issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **V. P. Jain & Associates**
Chartered Accountants

Firm's registration number: 015260N

Sarthak Madaan

Partner

Place : New Delhi

Date : 14-08-2023

Membership number: 547131

UDIN: 23547131BGYXF15960

ANNEXURE 'A' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF 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")

We have audited the internal financial controls over financial reporting of **Jagatjit Industries Limited** ("the Company") as of 31 March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material



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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at 31 March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India [the "Guidance Note"].

Emphasis of Matters:

Internal Control needs to be further strengthened in respect of following:

- i) Trade receivables/Trade Payables, recovery of loan & advances from employees/ suppliers.
- ii) Inventory valuation in respect of stores and spares is done through manual system instead of automation system.

Our opinion is not qualified in respect of these matters.

For **V. P. Jain & Associates**

Chartered Accountants

Firm's registration number: 015260N

Sarthak Madaan

Partner

Place : New Delhi

Date : 14-08-2023

Membership number: 547131

UDIN: 23547131BGYXF15960

ANNEXURE "B" REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR OF EVEN DATE

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of Company's Property, Plant and Equipment:

- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (b) The Company has a programme of Annual verification of Property, Plant and Equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Title deeds of all freehold immovable properties and lease deed of lease hold properties are in the name of the Company, except as stated in Note no 3A(ii) of the financial statements. Original copy of title deeds in respect of Ashoka estate (9th and 10th floor), New Delhi and R& D Centre Gurugram have not been produced as the same are deposited as security with banks under loan agreement as confirmed by the management. Certificate of the Bank for deposit of title deeds in earlier years is on record with the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of use assets) during the year.
- (e) On the basis of the information's and explanations given to us and examination of records, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us and on the basis of test checks on a limited scale and relying on the assertions of management, the quarterly returns and statements comprising (stock statements, book debt statements, and statements on ageing analysis of the debtors) filed by the Company with such banks are prima facie in agreement with the unaudited/audited books of account of the Company, of the respective quarters, except as stated in Note 41 in respect of immaterial amounts.
- (iii) (a) (i) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, firms, Limited liability partnership or any other parties during the year except an amount of ₹ 402 Lakhs given to related parties. The Balance outstanding as at the end of the year in respect of these loans is ₹ 158 Lakhs.
- (ii) The Company has given loan to its employees in the nature of staff advances in ordinary course of



business which are being recovered on regular basis and hence not prejudicial to the interest of the company.

- (iii) As informed, the Company has not given any advance to suppliers during the year which are in the nature of loans. Hence reporting under this clause is not applicable.
- (b) (i) Terms of loan of ₹ 400 Lakhs to associate are not prejudicial to the interest of the company as company is charging interest on same at bank borrowing rate. An interest free loan of ₹ 2 Lakhs given to a subsidiary company in the ordinary course of business has been recovered during the year.
- (ii) In view of the comments expressed in clause (iii)(a) to (iii) above, reporting under this clause with regard to the "advances in the nature of the loan being prejudicial to the interest of the company" is not applicable.
- (c) In respect of outstanding amount due from related parties ₹ 158 lakhs, where no stipulations are laid for repayment, a sum of ₹ 38 Lakhs have been received subsequently and the management is of the view that the balance will be recovered in the subsequent year.
- (d) In view of the comments in para (c) above, the requirement of reporting of "overdue for more than ninety days" from related parties is not applicable.
- (e) No loan granted by the Company falling due during the year has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has granted loan of ₹ 402 Lakhs to related parties (100% of total loans/ advances granted during the year) whose terms of repayment are not specified. A sum of ₹ 244 Lakhs and ₹ 38 Lakhs have been received back during the year and subsequent to the year respectively.
- (iv) In our opinion and according to the information and explanations given to us and certified by the company loans and investments made are prima facie in compliance of section 185 and 186 of the Act except ₹ 2 Lakhs (net) given to related

party which is interest free. However, the said loan has been recovered during the year.

- (v) The Company has not accepted any deposit during the year. On the basis of legal opinion, the amount of ₹ 700 Lakhs received in earlier years is claimed as exempt deposits. Further, ₹ 240 Lakhs received as advance against supplies as mentioned in note 19A (ii) of the financial statements in the opinion of the management is not a deemed deposit within the meaning of sec 2(31) read with Acceptance of Deposit (rules) 2014. It is also confirmed by the company that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vi) According to the information and explanations given to us and on the basis of our review of the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 we are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues including Goods and Service tax, Provident Fund, Employees State insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at 31.03.2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues as referred to in sub clause (a) which have not been deposited as at 31.03.2023 on account of any dispute other than disclosed as below as referred to in Note 32 contingent liabilities:

Sr. No.	Name of Statute	Nature of Dues	Amount (₹) Lakhs	Period for which the amount relates	Forum where dispute is pending
SERVICE TAX					
1	The Finance Act, 1994	Demand and Penalty towards Management maintenance and Repair Services	18	June, 2005	CESTAT, Chandigarh
2	The Finance Act, 1994	Demand and Penalty towards conversion charge for SMP & Ghee under category of Supply of Tangible Goods	62	May 2008 to April 2010	CESTAT, Chandigarh
3	The Finance Act, 1994	Penalty in the above matter	62	May 2008 to April 2010	CESTAT, Chandigarh



Sr. No.	Name of Statute	Nature of Dues	Amount (₹) Lakhs	Period for which the amount relates	Forum where dispute is pending
SALES TAX					
4	Sales Tax under Telangana VAT Act	Demand and Penalty on account of VAT on Royalty Income	103	2012-13 to November 2014	Appellate Deputy Commissioner, Hyderabad
5	Sales Tax under Punjab VAT Act & Central Sales Tax Act	Demand and Penalty on account of disallowance of VAT input credit on Rice Husk	220	2010 - 11	Deputy Excise and Taxation Commissioner (Appeals), Jalandhar
6	Sales Tax under Haryana VAT Act	Demand and Penalty on account of disallowance of VAT input credit on Rice Husk	40	2011 -12	Joint Excise & Taxation Commissioner (A), Rohtak
7	Sales Tax under Punjab VAT Act & Central Sales Tax Act	Disallowance of ITC on purchase of Rice Flour	108	2011 -13	VAT Appellate Tribunal
8	Jharkhand VAT Act	Demand in respect of VAT	65	2015-16	Commissioner (Appeals), Ranchi
9	Jharkhand VAT Act	Demand in respect of VAT	8	2016-17	Commissioner (Appeals),
10	CGST Act	Demand in respect of Excise Duty	38	2014-17	CGST Commissionerate
11	Dehradun Tax Act	Demand of Sales Tax	71	2016-17	Commissioner (Appeals), Uttarakhand

(viii) According to the information and explanations given to us and on the basis of our examination of the records there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 [43 of 1961].

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records the Company has not defaulted in the repayment of the Loans and interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) According to the information and explanations given to us, Company has applied the term loans for the purposes for which the same have been obtained.
- (d) Current ratio less than one generally indicates the utilisation of short term fund for long term purposes, however that is not a conclusive evidence. The lower current ratio and reduction in long term sources of funds of ₹ 7,273 Lakhs vis a vis long term application of funds, as explained by the management, is on account of operational losses in earlier years prior to financial year 2020-21. It is explained by the management that it has not utilised short term bank borrowings for long term purposes during the year. We have relied upon the assertion of management.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, Joint venture or associates.
- (f) The Company has not raised any loan on the pledge of securities held in its subsidiary, hence the requirement of reporting under this clause is not applicable.

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us and to the best of our knowledge no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company and as certified by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements, etc as required by the applicable accounting standards.
- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. However, it needs to be further strengthened



in terms of scope, timely completion and compliance of the observations.

- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) As per the information available and to the best of our knowledge in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The Company has not conducted any Non Banking Financial or Housing Finance activities and is not required to obtain COR for such activities from Reserve Bank of India. The Company is not a core Investment company as defined in the regulations made by Reserve Bank of India. Hence reporting under clause 3(xvi)(a), (b) and (c) of the order is not applicable.
- (b) In our opinion, there are five core investment companies within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has not incurred cash losses during the financial year but had incurred cash losses of ₹ 504 Lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) Provisions of section 135 are not applicable to the company and hence reporting under this clause is not applicable.

For V. P. Jain & Associates

Chartered Accountants

Firm's registration number: 015260N

Sarthak Madaan

Partner

Place : New Delhi

Date : 14-08-2023

UDIN: 23547131BGYXF15960

Membership number: 547131



Standalone Balance Sheet

as at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Non-current assets			
a) Property, plant and equipment	3A	36,281	36,921
b) Other intangible assets	3B	-	-
c) Capital work-in-progress	3C	74	16
d) Right-of-use assets	3D	15	44
e) Investment property	4	1,711	1,718
f) Financial assets			
i) Investments	5	25	31
ii) Trade receivable	10	196	115
iii) Loans	6A	212	244
iv) Others financial assets	7A	1,272	1,929
g) Other non-current assets	8A	67	109
Total non-current assets		39,853	41,127
2 Current assets			
a) Inventories	9	4,433	3,733
b) Financial assets			
i) Trade receivables	10	2,501	3,202
ii) Cash and cash equivalents	11	1,093	209
iii) Loans	6B	301	-
iv) Others financial assets	7B	521	98
c) Other current assets	8B	1,080	913
d) Assets classified as held for sale	12	38	38
Total current assets		9,967	8,193
TOTAL- ASSETS		49,820	49,320
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	4,631	4,615
Other equity	14	1,612	142
Total equity		6,243	4,757
LIABILITIES			
1 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15 A	19,456	20,760
ii) Lease liabilities	16 A	-	19
iii) Other financial liabilities	17 A	4,119	5,969
b) Provisions	18 A	1,905	1,995
c) Other non-current liabilities	19 A	514	786
Total non-current liabilities		25,994	29,529
2 Current liabilities			
a) Financial liabilities			
i) Borrowings	15 B	2,649	837
ii) Lease liabilities	16 B	19	32
iii) Trade payables	20		
total outstanding dues of micro enterprises & small enterprises		51	27
total outstanding dues of other than micro enterprises & small enterprises		4,893	5,550
iv) Other financial liabilities	17 B	3,304	1,392
b) Other current liabilities	19 B	6,212	6,747
c) Provisions	18 B	455	449
Total current liabilities		17,583	15,034
TOTAL EQUITY AND LIABILITIES		49,820	49,320
Basis of preparation, Measurement and Significant accounting policies,	2		
The accompanying notes 1 to 42 are an integral part of the standalone financial statements			

As per our report of even date

For **V.P. Jain & Associates**

Chartered Accountants

FRN: 015260N

Sarthak Madaan

Partner

Membership No.: 547131

For and on behalf of the Board of Directors

Ravi Manchanda

Managing Director

DIN: 00152760

Sushma Sagar

Director

DIN : 02582144

Anil Vanjani

Chief Executive Officer & CFO

Roopesh Kumar

Company Secretary

Place : New Delhi

Date : 14.08.2023



Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Income			
a) Revenue from operations	21	58,202	45,145
b) Other income	22	4,359	5,247
Total income		62,561	50,392
2 Expenses			
a) Cost of material consumed	23	28,310	23,588
b) Purchases of stock-in-trade	24	1,499	1,281
c) Changes in inventories of finished goods, work in progress and stock in trade	25	(196)	176
d) Excise duty on sale		7,611	619
e) Employee benefits expenses	26	7,334	7,024
f) Finance costs	27	3,051	2,882
g) Depreciation and amortisation expenses	28	1,001	996
h) Other expenses	29	13,090	13,743
Total expenses		61,700	50,309
3 Profit/(loss) before exceptional items and tax (1-2)		861	83
4 Exceptional items		-	-
5 Profit/(Loss) before tax (3+4)		861	83
6 Tax expense:			
Income tax adjustment related to earlier years		-	4
Total tax expenses		-	4
7 Profit/(Loss) for the year from continuing operations (5+6)		861	79
8 Profit/(Loss) for the year from discontinued operations	30	58	(17)
Tax expenses of discontinued operations		-	-
9 Profit/(Loss) for the year (7+8)		919	62
10 Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Fair value changes on Equity Instruments		3	1
Re-measurement gains/(losses) on defined benefit plans	33	140	26
Total Other Comprehensive Income		143	27
11 Total Comprehensive Income for the year (9 + 10) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		1,062	89
12 Earnings per equity share for continuing operations (in ₹):			
Basic	31	1.86	0.18
Diluted		1.81	0.18
Earnings per equity share for discontinued operations (in ₹):			
Basic	31	0.13	(0.04)
Diluted		0.12	(0.04)
Earnings per equity share (for continuing and discontinued operations) (in ₹):			
Basic	31	1.99	0.14
Diluted		1.93	0.14
Basis of preparation, Measurement and Significant accounting policies,	2		
The accompanying notes 1 to 42 are an integral part of the standalone financial statements.			

As per our report of even date

For V.P. Jain & Associates

Chartered Accountants

FRN: 015260N

Sarthak Madaan

Partner

Membership No.: 547131

For and on behalf of the Board of Directors

Ravi Manchanda

Managing Director

DIN: 00152760

Sushma Sagar

Director

DIN : 02582144

Anil Vanjani

Chief Executive Officer & CFO

Roopesh Kumar

Company Secretary

Place : New Delhi

Date : 14.08.2023



Standalone Statement of Cash Flow

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities:		
Net profit for the year	919	62
Adjustments for:		
Rent from investment properties	(1,312)	(1,182)
Employee stock option expenses	407	56
Depreciation	1,001	996
Interest expense	3,051	2,882
Interest income	(181)	(122)
(Profit)/Loss on sale of properties, plant and equipment (net)	14	(98)
Profit on sale of Investment in related parties	(200)	-
Fixed Assets written off	1	-
Investment in subsidiary written off	1	-
Bad debts/ advances/ stock written off	895	1,554
Allowances for expected credit loss	15	26
Provision for obsolete/ damaged inventories	31	5
Liability/ provisions no longer required written back	(1,582)	(3,206)
Provision for gratuity & leave encashment & others	(84)	33
Operating profit before working capital changes	2,976	1,006
Changes in working capital		
Trade receivables	641	(844)
Other financial assets and other assets	(690)	454
Inventories	(707)	(222)
Trade payables	(301)	355
Financial liabilities, other liabilities and provisions	(692)	665
Cash generated from operations	1,227	1,414
Taxes (Paid)/ Received (Net of TDS)	-	-
Net cash generated from operating activities (A)	1,227	1,414
B. Cash flow from investing activities:		
Purchase of property, plant and equipment including capital work-in-progress	(380)	(481)
Purchase of investments property	(38)	-
Proceeds from sale of property, plant and equipment	19	114
Proceeds from sale of investments	205	-
Loan to subsidiary & associate	(110)	(11)
Investment in subsidiary written off	(1)	-
Interest received	181	128
Income from investment properties	1,312	1,182
Release/(Addition) of cash (from)/for restrictive use	863	67
Net cash generated/(used) from investing activities (B)	2,051	999



Standalone Statement of Cash Flow (Contd.)

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flow from financing activities:		
Net Loans (repaid) / taken	508	103
Payment of lease liabilities	(32)	(25)
Proceeds from issue of equity shares (ESOP)	16	-
Interest paid	(2,886)	(2,881)
Net cash used in financing activities (C)	(2,394)	(2,803)
Net increase/ (decrease) in cash & cash equivalents (A + B + C)	884	(390)
Cash and cash equivalents at the beginning of the year	209	599
Cash and cash equivalents at the end of the year (refer note 11)	1,093	209
Cash & cash equivalents comprises of		
Cash, cheques & drafts (in hand) and remittances in transit	10	9
Balance with scheduled banks	1,083	200
	1,093	209
Figures in brackets indicate cash outgo.		
The accompanying notes 1 to 42 are an integral part of the standalone financial statements.		

As per our report of even date

For V.P. Jain & Associates

Chartered Accountants

FRN: 015260N

Sarthak Madaan

Partner

Membership No.: 547131

Place : New Delhi

Date : 14.08.2023

For and on behalf of the Board of Directors

Ravi Manchanda

Managing Director

DIN: 00152760

Anil Vanjani

Chief Executive Officer & CFO

Sushma Sagar

Director

DIN : 02582144

Roopesh Kumar

Company Secretary



Standalone Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital:

Issued, subscribed and fully paid up (Share of ₹ 10 each)	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Balance at the beginning of the year	4,61,48,112	46,14,81,120	4,61,48,112	46,14,81,120
Changes during the year [refer Note 14(v)]	1,67,516	16,75,160	-	-
Balance at the end of the year	4,63,15,628	46,31,56,280	4,61,48,112	46,14,81,120

B. Other equity

(All amounts in ₹ Lakhs)

Particulars	Reserve & Surplus					Total
	General Reserve	Capital Redemption	Securities Premium	Retained Earnings	Share option Outstanding account	
Balance as at April 01, 2021	2,016	580	3,697	(6,296)	-	(3)
Created during the year	-	-	-	-	56	56
Profit/(loss) for the year	-	-	-	62	-	62
Other comprehensive income for the year						
Fair value changes on equity instruments	-	-	-	1	-	1
Re-measurement gain/(losses) on defined benefit plan	-	-	-	26	-	26
Total Comprehensive Income				89		89
Balance as at March 31, 2022	2,016	580	3,697	(6,207)	56	142
Created during the year [refer Note 14(v)]	-	-	-	-	408	408
Issue of equity shares on exercise of employee stock options [refer Note 14(v)]	-	-	113	-	(113)	-
Profit/(loss) for the year	-	-	-	919	-	919
Other comprehensive income for the year						
Fair value changes on equity instruments	-	-	-	3	-	3
Re-measurement gain/(losses) on defined benefit plan	-	-	-	140	-	140
Total Comprehensive Income				1,062		1,062
Balance as at March 31, 2023	2,016	580	3,810	(5,145)	351	1,612

The accompanying notes 1 To 42 are an integral part of the standalone financial statements.

As per our report of even date

For **V.P. Jain & Associates**

Chartered Accountants

FRN: 015260N

Sarthak Madaan

Partner

Membership No.: 547131

Place : New Delhi

Date : 14.08.2023

For and on behalf of the Board of Directors

Ravi Manchanda

Managing Director

DIN: 00152760

Anil Vanjani

Chief Executive Officer & CFO

Sushma Sagar

Director

DIN : 02582144

Roopesh Kumar

Company Secretary



Notes to Standalone Financial Statements

as at March 31, 2023

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Jagatjit Industries Limited ("the Company") is a Public Limited Company domiciled in India and incorporated under the provisions of the Indian Companies Act, 1913. The registered office of the Company is located at Jagatjit Nagar, Distt. Kapurthala, Punjab 144802, India. Its shares are listed on the BSE Limited. The Company is primarily engaged in the manufacture and sale of Liquor products and job work for food products. The Company has manufacturing plants at Kapurthala (Punjab) and Behror (Rajasthan) and has contractual manufacturing units (CMU) in Telangana and Pondicherry.

2. Basis of preparation, Measurement and Significant Accounting Policies

2.1 Basis of preparation:

- (i) The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as 'Ind AS') notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standard) Accounts Rules, 2015, as amended from time to time.
- (ii) The financial statements have been prepared on going concern basis following accrual system of accounting, applying consistent accounting policies for all the periods presented therein. The financial statements were approved for issue by the Board of Directors in accordance with the resolution passed on August 14, 2023.
- (iii) Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.
- (iv) At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.2 Basis of measurement:

The Ind AS Financial Statements are prepared under the Historical cost convention except for certain class of financial assets/ financial liabilities, share based payments and defined benefit liabilities comprising of Gratuity and compensated absences which have been measured at fair value/ Actuarial valuation as required by relevant Ind ASs.

2.3 Significant accounting policy:

The significant accounting policies used in preparation of the standalone financial statements are as follows:

(a) Current versus non-current classification:

All assets and liabilities have been classified as current or non-current considering the normal operating cycle of 12 months, paragraph 66 and 69 of Ind AS 1 and other criteria as per Division II of Schedule III of Companies Act, 2013.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(b) Property, plant and equipment

Property, plant and equipment is stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of acquisition, construction of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

The Company has been granted leasehold lands for the period of 99 years which has been treated as part of properties plant and equipment due to duration of lease period and availability of transfer of leasehold rights. In absence of absolute certainty regarding vesting of ownership with the Company at the determination of lease, depreciation is being charged on the revalued figure of Land on straight line basis over the period of lease.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

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

When an item of property, plant and equipment is scrapped or otherwise disposed off, the gross carrying amount and related accumulated depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit & Loss.

The Company has not revalued any of its property, plant and equipment during the year.

(c) Capital work-in-progress:

Capital work-in-progress is stated at cost, if any. Assets in the course of construction are capitalized in capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes financing cost relating to borrowed funds attributable to construction. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets"

(d) Depreciation

The Company depreciates property, plant and equipment over the useful life as prescribed in schedule II of the Companies Act, 2013 on the straight-line method from the date the assets are ready for intended use. Assets in the course of construction and freehold land are not depreciated. In respect of following assets, different useful life is taken than those prescribed in schedule II:

Particulars	Depreciation
Boiler No-5	Over its useful life as technically assessed (35 Years)
Turbine 7MW	Over its useful life as technically assessed (35 Years)
Evaporator Spent Wash	Over its useful life as technically assessed (35 Years)
MMF Plant (III shift)	Over its useful life as technically assessed (15 Years)

(e) Leased assets

The Company's leased asset class consist of leases for

land and buildings for the purpose of having offices/ various branches. The Company assesses whether a contract contains a 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 assets.

As a lessee

Right of Use Assets

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases or leases of low value. The Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company incurred ₹ 19 Lakhs for the year ended March 31, 2023 (March 31, 2022: ₹ 25 Lakhs) towards expenses relating to short-term leases and leases of low-value assets.

Determination of lease term

As a lessee, the Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. Certain lease arrangements includes the options to extend or terminate the lease



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities initially recognised is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Impairment of Right of Use Assets

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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 flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For lease commitments and lease liabilities : Refer note 16A, 16B.

The Company has not revalued any of its right-of-use assets

(f) Intangible assets:

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either definite or indefinite. Currently, Company does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication

to the same effect. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Generally intangible assets are amortised @ 10% per annum on straight line basis.

(g) Fair value measurement:

The Company measures certain financial instruments, defined benefit liabilities and equity settled employee share-based payment plan at fair value at each reporting date. Fair value is the price that would be received to sell an assets or paid to transfer a liabilities in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows ; level I - III

Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date, A quoted market in an active market provided the most reliable evidence of fair value and is used without adjustment to measure fair value whenever



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

available, with limited exception. If an entity hold a position in a single assets or liabilities and the assets or liabilities is traded in an active market, the fair value of assets or liabilities held by the entity, even if the market normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level II input

Level II input are input other than quoted market prices included within level I that are observable for the assets or liabilities either directly or indirectly.

Level II inputs include:

- quoted price for similarly assets or liabilities in active market.
- quoted price for identical or similar assets or liabilities in market that are not active.
- input other than quoted prices that are observable for the assets or liabilities, for example – interest rate and yield curve observable at commonly quoted interval.
- implied volatilis.
- credit spreads.
- input that are derived principally from or corroborated market data correlation or other means ('market corroborated inputs').

Level III input

Level III inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(h) Functional and presentation currency:

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs. Transactions and balances

with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

(i) Impairment of non-financial assets:

At the end of each reporting period, the Company assesses whether there is any indication that an assets or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the entity determines the recoverable amount of the Cash Generated Unit (CGU) to which the asset belongs.

It is not possible to estimate the recoverable amount of the individual asset if:

- The asset's Value in use (VIU) cannot be estimated to be close to its fair value less cost to sell (FLVCS).
- The asset does not generate cash inflows that are largely independent of those from other assets.

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flow are discounted at their present value using the appropriate discount rate that reflects current market assessment of time value of money and the risks specific to the assets for which the estimates of future cash flow have not been adjusted.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If the recoverable amount of an assets (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized earlier in the statement of Profit & Loss.

No Impairment is identified in FY 2022-23 and in previous FY 2021-22

Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(j) Assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment once classified as held for sale are not depreciated.

(k) Cash and cash equivalent:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, on hand and short-term deposits, as defined above.

(l) 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 financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and Loss.

Financial assets

(i) Initial recognition and measurement:

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

(ii) Subsequent measurement of financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets and are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(iii) Derecognition of financial assets:

The Company derecognizes a financial asset when

- the contractual rights to receive the cash flows from the asset expire, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) It transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or
 - b) The company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and loss on disposal of that financial asset.

(iv) Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, , deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope. The Company follows 'simplified approach' for recognition of loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. The Company's financial liabilities include trade and other payables and loans and borrowings

including bank overdrafts/cash credits.

(ii) Subsequent measurement of financial liabilities:

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the standalone statement of profit and loss.

(iii) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such on exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

No reclassification of financial assets and liabilities were made during the year.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(m) Provisions

Provisions are recognized 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, 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 the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to Statement of Profit and Loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

(n) Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by-products which are valued at net realisable value. Costs comprises as follow:

(i) Raw materials, packing materials and store & spares etc:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

(ii) Finished goods and work in progress:

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding

borrowing costs. Cost is determined on weighted average basis. In pursuance of IND AS-2 indirect production overheads (estimated by the Management) have been allocated for ascertainment of cost.

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

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

(o) Employee benefits:

Company follows IND AS-19 as detailed below:-

- (i) Short term benefits including salaries and performance incentives are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- (ii) The company provides bonus to eligible employees as per Bonus Act 2016 and accordingly liability is provided on actual cost at the end of the year.

(iii) Defined contribution plan:

Provident fund

The eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both employees and the company make monthly contributions at a specified percentage of the covered employee's salary. The contributions as specified under the law are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.

Gratuity

The Company has an obligation towards gratuity a defined benefit retirement plan covering all employees. The plan provides for a lumpsum payment to employees at retirement/determination of service on the basis of 15 days terminal salary for each completed year of service subject to maximum amount of ₹ 20 Lakhs.

Company's liability towards gratuity and compensated absences is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the plan assets (excluding net interest), is reflected



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

immediately in the balance sheet with a charge or credit recognized in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Past service cost is recognized in statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

(iv) **Compensated absences**

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulations.

(p) **Revenue recognition**

Sale of products/services

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance, depending on terms with customers.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as Goods and Services Tax, Value Added Tax etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sales include goods sold by contract manufacturers unit (CMU) on behalf of the Company, since risk and reward belong to the Company in accordance with the terms of the relevant contract manufacturing agreements, the related cost of sales is also recognized by the Company, as and when incurred by the CMU.

Sales through State Corporations: Revenue is recognized at the time of dispatch/delivery to the Corporation as significant risk & rewards associated with ownership are transferred to the Corporation along with the transfer of the property in goods. The Company has complete physical control over the goods and the liquor manufacturer does not have any right to take back or have lien on such goods.

Specific recognition criteria described below must also be met before revenue is recognized.

- (a) Interest Income is recorded on time proportion basis using the effective rate of Interest (EIR).
- (b) Rent: Rental Income is accounted on accrual basis.
- (c) Interest on Income Tax refunds, Insurance claims, Export benefits (Duty Drawback etc) and other refunds are accounted for as and when amounts receivable can be reasonably determined as being acceptable to authorities.
- (d) Royalty income is accounted on an accrual basis in accordance with terms specified in the relevant agreements.
- (e) Income from franchisees business: The Company has entered into supply agreement with few parties. Under the agreement, parties manufacture at their own cost under supervision of the company and sell the same to retailers (Licensees) on behalf of the company. Revenue is recognised net of cost of goods sold.

(q) **Manufacturing policy**

The main raw material of the Company is broken rice which is used to produce ENA. ENA is sold in market as such along with internal usage in Indian Made Foreign Liquor (IMFL) and Country Liquor (CL). Manufacturing policy of the Indian alcoholic spirit market is highly regulated by the States who control the alcoholic beverage industry. The Indian liquor industry has been experiencing challenges such as state policies with respect to import & export from one state to the other, production constraints with respect to the pack sizes and type of packaging, price control and increasing state levies & duties.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(r) Taxation:

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in Other Comprehensive Income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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 recognised 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 liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. The Company does not recognise deferred tax liabilities on revaluation portion of land and building.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that 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 utilized.

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 other comprehensive income 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.

Goods and Service Tax

GST paid on acquisition of assets or on incurring expenses. Expenses and assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. The receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset in the Balance Sheet if there is convincing evidence that there would be sufficient taxable profits in the specified period and the Company will have to pay income tax under the normal provisions of the Act.

(s) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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.

(t) Foreign currency transactions:

Foreign Currency Transactions involving export sales import purchases are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the customs rate on the date of dispatch of



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

goods/ arrival of import consignments at custom port. The difference between the rates recorded and the rates on the date of actual realization/ payment is transferred to difference in exchange fluctuation account. At the year end, the balances are converted at the year end rate and difference if any between the book balance and converted amount are transferred to the exchange fluctuation account. The premium or discount arising at the inception of a forward exchange contract is amortized as expenses / income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income / expenses for the period. Non-monetary items that are measured in historical cost in a foreign currency are not retranslated.

(u) Earning per share:

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(v) Segment reporting:

(i) Operating segment:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company), whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Company are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The company is operating under three segment i.e., "Liquor", "Food" and "Others" as per IND AS-108 "Segment Reporting" issued under section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) rules 2015.

(ii) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.

Revenue and expenses which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/expenses".

(w) Cash Flow Statement:

Cash flows are reported using indirect method as set out in Ind AS-7 "Statement of Cash Flows", whereby profit / [loss] before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(x) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Company and requires interpretation of laws and past legal rulings. The Company does not recognize a contingent liability but discloses its existence in the standalone Ind AS financial statements.

(y) Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date is recognised as 'employee benefit expenses' with a corresponding increase in other equity (Share Based Payment outstanding account) over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer. When the



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

options are exercised, the Company issues fresh equity shares and when the options are lapsed, the company transfers the balance into securities premium account i.e within other equity.

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

(z) Use of key accounting estimates and judgements:

The preparation of financial statements requires management to make estimates, judgements and assumptions in the application of accounting policies that affect the reported financial position and the reported financial performance. Difference between the actual results and estimates are recognised in the period in which it is known/materialised. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

(i) Property, Plant and Equipments – Note 3A

(ii) Measurement of defined benefit obligation – Note 33

(iii) Measurement and likelihood of occurrence of provisions and contingencies-Note 18 & 32

(iv) Measurement of Right of Use Asset and Lease liabilities – Note 3D

2.4 Recent Accounting Developments:

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

3A. PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Lakhs)

Particulars	Land Free Hold	Land Lease Hold	Building	Furniture & Fixtures	Plant & Equipment	Office Equipment	Vehicles	Total
(I) Gross carrying amounts								
As at March 31, 2021	23,789	844	6,126	265	9,688	228	322	41,262
Additions	-	-	10	14	556	60	1	641
Disposals	-	-	-	-	-	(0)	(108)	(108)
As at March 31, 2022	23,789	844	6,136	279	10,244	288	215	41,795
Additions	-	-	47	0	208	19	47	321
Disposals	-	-	-	(3)	(56)	(6)	(10)	(75)
As at March 31, 2023	23,789	844	6,183	276	10,396	301	252	42,041
(II) Accumulated depreciation								
As at March 31, 2021	-	53	1,313	132	2,246	147	154	4,045
Charge for the year	-	11	256	14	589	26	25	921
Deductions	-	-	-	-	-	(0)	(92)	(92)
As at March 31, 2022	-	64	1,569	146	2,835	173	87	4,874
Charge for the year	-	11	252	12	596	31	26	928
Deductions	-	-	-	(3)	(25)	(6)	(8)	(42)
As at March 31, 2023	-	75	1,821	155	3,406	198	105	5,760
(III) Net Carrying amount (I) - (II)								
As at March 31, 2022	23,789	780	4,567	133	7,409	115	128	36,921
As at March 31, 2023	23,789	769	4,362	121	6,990	103	147	36,281

3B. OTHER INTANGIBLE ASSETS

(All amounts in ₹ Lakhs)

Particulars	Patent Trade Mark
(I) Gross carrying amount	
As at March 31, 2022	10
As at March 31, 2023	10
(II) Accumulated depreciation	
As at March 31, 2021	10
Amortization for the year	-
As at March 31, 2022	10
Amortization for the year	-
As at March 31, 2023	10
(III) Net Carrying amount (I) - (II)	
As at March 31, 2022	-
As at March 31, 2023	-



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

3C. CAPITAL WORK IN PROGRESS

As at March 31, 2022	16
As at March 31, 2023	74

(3C.1) Capital work-in-progress ageing schedule

Capital work in progress	Amount in CWIP for a period of				
	<1 yr	1-2 yr	2-3 yrs	>3 yrs	Total
Projects in progress	74	-	-	-	74
Projects temporarily suspended	-	-	-	-	-

(3C.2) There are no projects overdue as on date or has exceeded its cost compared to its original plan.

3D. RIGHT-OF-USE ASSETS

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	44	74
(In respect of building taken on lease)		
Addition during the year	-	-
Deletion during the year	-	-
Amortisation during the year	29	30
Balance at the end of the year	15	44

Footnote(s) :-

- (i) For details of property, plant and equipment charged as security against borrowings. Refer Note 15B(ii) & (iii).
- (ii) Title deeds of all freehold immovable properties and lease deed of lease hold properties are in the name of the Company, except property having carrying value of ₹ 39 Lakhs in respect of which the execution of flat buyers agreement with the builder is under process. However the Company is in effective physical possession of the property since inception.
- (iii) Estimated amount of capital contracts remaining to be executed is ₹ 4 Lakhs (Previous year : ₹ 2 Lakhs).
- (iv) For leasehold land refer note 2.3(b) regarding Significant Accounting Policy.

4. INVESTMENT PROPERTY

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying amount at beginning of the year	2,659	2,649
Additions during the year	38	10
Deletion during the year	(15)	-
Gross carrying amount at end of the year	2,682	2,659
Accumulated depreciation at beginning of the year	941	896
Deletion during the year	(14)	-
Depreciation charged during the year	44	45
Accumulated depreciation at end of the year	971	941
Net carrying amount at end of the year	1,711	1,718

Footnote(s):

- (i) Investment properties include a sum of ₹ 94 Lakhs (Previous year : ₹ 60 Lakhs) on account of allied plant & machinery installed in the properties.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(ii) Amounts recognised in profit and loss for investment properties

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental income (including reimbursement of maintenance expenses)	1,682	1,464
Direct operating expenses from property that generated rental income	377	249
Direct operating expenses from property that did not generate rental income	32	32
Profit from investment properties before depreciation	1,273	1,183
Depreciation for the year	44	45
Profit from investment properties	1,229	1,138

(iii) Contingent rents recognised as income - Nil.

(iv) Company has entered into lease agreements on different dates for a period of maximum 9 years. The lease(s) can be terminated at the option of lessor/lessee with notice period as defined in the agreement.

(v) Fair value

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment properties	21,518	21,482

(vi) Estimation of fair value

The company obtained independent valuations for its investment properties on April 01, 2016. The best evidence of fair value is current prices in an active market for similar properties.

All resulting fair value estimates for investment properties are as per level 2. The company is of view that there is no significant change in fair value as on March 31, 2023. However, the fresh valuation will be taken in the subsequent financial year.

(vii) For details of investment property charged as security of borrowings refer note 15 (i)(a)&(b).

(viii) Title deeds of investment properties comprising of Flat Buyer's agreement and free hold land are held in the name of the Company.

5. NON-CURRENT INVESTMENTS

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Equity instruments (fully paid-up)		
(i) Quoted		
Milkfood Ltd.		
Nil (Previous year : 1,350) Shares of ₹ 10/- each fully paid	-	4
Punjab National Bank		
4,965 (Previous year : 4,965) shares of ₹ 2/- each fully paid	2	2
(ii) Unquoted		
In subsidiary companies		
S.R.K. Investments Pvt. Ltd.	1	1
10,000 (Previous year : 10,000) Shares of ₹ 10 each fully paid		
Sea Bird Securities Pvt. Ltd.	1	1
8,000 (Previous Year : 8,000) Shares of ₹ 10 each fully paid		
JIL Trading Pvt. Ltd.	1	1
10,000 (Previous year : 10,000) Shares of ₹ 10 each fully paid		
L.P. Investments Ltd.	1,020	1,020
1,02,01,717 (Previous year : 1,02,01,717) shares of ₹ 10 each fully paid		
Yoofy Computech Pvt. Ltd.	-	1
Nil (Previous year : 9,999) Shares of ₹ 10 each fully paid (refer note 34(iii))		
Natwar Liquors Private Limited	1	1
10,000 (Previous year : 10,000) Shares of ₹ 10 each fully paid		



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(iii) Unquoted		
In associates		
Hyderabad Distilleries & Wineries Pvt. Ltd.		
540 (Previous year : 1,650) shares of ₹ 100 each fully paid (refer note 22(ii))	1	2
(iv) Unquoted		
In others		
Chic Interiors Pvt. Ltd.		
1,752 (Previous year : 1,752) shares of ₹ 10 each fully paid	0	0
(B) Investment in preference shares (fully paid-up)		
(i) Qube Corporation Pvt. Ltd.	18	18
1,80,000 (Previous year : 1,80,000) Cumulative Redeemable preference shares of ₹ 10 each		
(C) Investment in government securities		
6 year National Saving Certificates (lodged with Govt. authorities)	2	2
Total	1,047	1,053
Less: Provisions for impairment in the value of investments in L.P. Investment Ltd. & in Govt. securities.	1,022	1,022
	25	31

Footnote(s):

- (i) Aggregate amount of cost of quoted Investments is ₹ 4 Lakhs (Previous year : ₹ 5 Lakhs).
- (ii) Aggregate amount of cost of unquoted Investments ₹ 1043 Lakhs (Previous year : ₹ 1045 Lakhs).
- (iii) For mode of valuation refer Note 36.
- (iv) No impairment was identified during the FY 2022-23 (FY 2021-22: Nil).

6. LOANS

(A) Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good :		
Loan to related parties (refer footnote-(i) & note 34C(ii)(a))	10	16
(Subsidiary Company)		
Loan to employees	1	27
Unsecured- Credit impaired		
Loan to related parties (refer note 34)	-	185
(Subsidiary Company)		
Loan to employees/ others (refer footnote-(ii))	399	436
Less: Allowance for bad and doubtful loans	(198)	(420)
Total	212	244



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(B) Current		(All amounts in ₹ Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Unsecured, considered good :			
Loan to related parties <i>[refer footnote-(i)& note 34C(ii)(b)&(iii)]</i>	301	-	
<i>[Subsidiary Company/ Associate]</i>			
Total	301	-	

Footnote(s):

- (i) From the above loan (61% of total loan), a sum of ₹ 143 lakhs (28%) has been subsequently realised and for the balance loan the Company is making efforts to recover.
- (ii) (a) Includes ₹ 197 Lakhs (Previous year : ₹ 234 Lakhs) recoverable from a senior employee which has been provided as a matter of abundant caution in earlier year. The Company has recovered ₹ 37 Lakhs during the year.
(b) It also includes a sum of ₹ 201 Lakhs (Previous year : ₹ 201 Lakhs) due from an Ex-employee and Management is hopeful to recover this loan in the subsequent period.
- (iii) No Loans are due by Directors or other officers of the company or any of them either severally or jointly with any other person or by firms or private companies in which any director is a partner, director or member.
- (iv) In line with circular no. 4/2015 issued by the Ministry of Corporate Affairs dated 10.03.2015, loans and advances given to employees as per company's policy are not covered for the purpose of disclosures under section 186 (4) of the Companies Act, 2013.

7. OTHER FINANCIAL ASSETS

(A) Non-current:		(All amounts in ₹ Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Considered good :			
Security deposits <i>[refer footnote-(i)]</i>	385	205	
Fixed deposits with bank <i>[refer footnote-(ii)]</i>	706	1,532	
Margin money accounts <i>[refer footnote-(iii)]</i>	105	105	
Others <i>[refer footnote-(iv)(a)]</i>	76	87	
Considered doubtful:			
Security deposits	220	285	
Others	69	7	
Less: Allowance for doubtful deposits & loans	(289)	(292)	
Total	1,272	1,929	

(B) Current:		(All amounts in ₹ Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Advances to employees	65	59	
Security deposits	4	-	
Others <i>[refer footnote-(iv)(b)]</i>	452	39	
Total	521	98	

Footnote(s) :

- (i) Includes an amount of ₹ 152 Lakhs (Previous year : Nil) for participating in an event which company could not proceed due to statutory reasons. The Company is pursuing the same with the organiser for refund.
- (ii) Includes fixed deposit of ₹ 650 Lakhs (Previous year : ₹ 1438 Lakhs) with IndusInd Bank for security against borrowings. [Also refer note no 15(i)(c)].
- (iii) Towards bank guarantees against contractual/statutory obligations.
- (iv) (a) Includes ₹ 16 Lakhs (Previous year : ₹ 16 Lakhs) security deposit against loan taken from related party *[refer note 15]*, ₹ 56 Lakhs (Previous year : ₹ 50 Lakhs) as advance to other party including interest for which management is hopeful to recover the amount as mentioned in *note 10(i)*.
(b) Includes Settlement of insurance claims of earlier years of ₹ 237 Lakhs (including interest of ₹ 106 Lakhs) pending realisation, settlement of other claims (mesne) profits of ₹ 45 Lakhs subsequently realised and ₹ 139 Lakhs unbilled revenue, out of which ₹ 121 Lakhs has been realised subsequently.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

8. OTHER ASSETS

(A) Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - considered good		
Balance with revenue authorities [refer footnote-(i)]	12	15
Advances to suppliers [refer footnote-(ii)]	25	89
Prepaid expenses	30	5
Unsecured - considered doubtful		
Advances to suppliers	1,791	1,851
Others [refer footnote-(iii)]	237	240
Less: Allowance for doubtful advances	(2,028)	(2,091)
Total	67	109

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with excise/revenue authorities	35	58
Income tax refund for earlier years	-	272
TDS Recoverable	109	59
Advances to suppliers (Unsecured considered good)	140	270
Prepaid expenses	796	254
Total	1,080	913

Footnote(s):

- (i) Deposit with authorities against contingent liability as a precondition for filing appeal.
- (ii) Pertaining to earlier years considered good for recovery by the management.
- (iii) Includes ₹ 33 Lakhs (Previous year : ₹ 37 Lakhs) given in earlier years to an ex-employee and provided for, interest free advance of ₹ 170 Lakhs (Previous year : ₹ 170 Lakhs) given in the earlier years and provided for. The Company is making efforts to recover the advance and is hopeful that the same will be received in the subsequent period.
- (iv) The Company has not granted any advance to any director or to a firm, a company in which any director is a partner or director or member.

9. INVENTORIES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials [includes in-transit of ₹ 784 Lakhs (Previous Year : ₹ 635 Lakhs)]	1,904	1,189
Packaging materials [refer footnote - (i)]	630	617
Work-in-progress	423	218
Finished goods	828	808
Stock-in-trade	33	62
Stores and spare parts [refer footnote - (i)]	615	839
Total	4,433	3,733

Footnote(s):

- (i) Includes non-moving/ slow moving packing material and store items of ₹ 60 Lakhs against which no provision is made as the management hopes to utilise the same in the subsequent financial year. Packaging materials/raw materials are net of provision for obsolete inventory.
- (ii) The mode of valuation of inventories has been described in Note 2.3(n).



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

10. TRADE RECEIVABLES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Unsecured, considered good	2,501	3,202
Receivable which have significant increase in credit risk	198	181
Receivable credit impaired [refer footnote-(i)]	3,560	4,372
Less: Allowance for expected credit loss		
Receivable which have significant increase in credit risk	51	66
Receivable credit impaired	3,511	4,372
Net trade receivables		
Unsecured, considered good	2,501	3,202
Receivable which have significant increase in credit risk	147	115
Receivable credit impaired	49	-
Current	2,501	3,202
Non-current	196	115

Ageing of Trade receivables from due date of payment:

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023:						
Undisputed trade receivable - considered good	2,145	353	-	3	-	2,501
Undisputed trade receivable - which have significant increase in credit risk	-	-	145	21	32	198
Undisputed trade receivable - credit impaired	-	-	12	22	2,772	2,806
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	15	739	754
	2,145	353	157	61	3,543	6,259
Allowances for expected credit loss	-	-	12	39	3,511	3,562
	2,145	353	145	22	32	2,697
As at March 31, 2022 :						
Undisputed trade receivable - considered good	3,100	102	-	-	-	3,202
Undisputed trade receivable - which have significant increase in credit risk	-	-	106	75	-	181
Undisputed trade receivable - credit impaired	-	-	-	-	3,530	3,530
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	842	842
	3,100	102	106	75	4,372	7,755
Less: Allowances for expected credit loss	-	-	61	5	4,372	4,438
	3,100	102	45	70	-	3,317

Footnote(s):

- (i) Includes ₹ 223 Lakhs (Previous year : ₹ 223 Lakhs) due from a party from earlier years in respect of which the Company is hopeful to recover the substantial amount by way of settlement through acquisition of immovable property by creation of equitable mortgage in the subsequent period. As a matter of abundant caution the amount has been provided in the accounts in the earlier years.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

- (ii) The Company has obtained confirmations from the trade receivables for substantial value. The confirmation requests sent by the management in respect of amount due from state owned Beverage Corporations are awaited. The adjustment entries if any will be made in the subsequent year on receipt of the confirmation.
- (iii) No debts are due from directors or other officers of the Company or any of them either severally or jointly with any other person or from firms or private companies, in which any director is a partner or a director or a member.
- (iv) Allowance for expected credit loss is made on the simplified approach as followed in earlier years.
- (v) Refer Note 38(a) and 38(b) in respect of market risk and credit risk.

11. CASH AND CASH EQUIVALENTS

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	10	9
Bank balance on current accounts	228	161
Term deposits	855	39
(With original maturity less than 3 months, under lien with Indusind Bank, refer note 15(i)(c))		
Total	1,093	209

12. ASSETS CLASSIFIED AS HELD FOR SALE

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Property plant & equipment held for sale	38	38
(Valued at the lower of the fair value less cost of disposal & carrying amount)		
Total	38	38

Footnote(s):

- (i) During the financial year 2017-18, the Company entered into an agreement of sale for development and disposal thereafter a part of Leasehold land of Glass division at Sahibabad due to discontinuity of operations. In pursuance of the said agreement, the Company has received a sum of ₹ 4627 Lakhs (grouped under other current liabilities) towards part performance of the agreement. Recognition of revenue has been deferred, pending approval from the lessor (UPSIDC). Tripartite MOU for development of entire property in pursuance of Board Resolution dated 14.08.2021 has been cancelled on 08.08.2022 without any rights and obligations. The Company is hopeful of receiving the approval from the authority in the next financial year.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

13. SHARE CAPITAL

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
75,000,000 (March 31, 2022: 75,000,000) equity shares of ₹ 10/- each	7,500	7,500
Issued, subscribed and fully paid up		
46,315,628 (March 31, 2022: 46,148,112) equity shares of ₹ 10/- each	4,631	4,615
	4,631	4,615

Footnote(s):

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	Numbers	Amounts (₹)
Issued, subscribed and fully paid up		
As at April 1, 2021	4,61,48,112	46,14,81,120
Increase/(Decrease) during the year	-	-
As at March 31, 2022	4,61,48,112	46,14,81,120
Increase/(Decrease) during the year [refer note 14(v)]	1,67,516	16,75,160
As at March 31, 2023	4,63,15,628	46,31,56,280

(ii) Terms/ rights attached to equity shares

- 1,86,05,628 shares referred to as equity shares are having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share and dividend, if declared.
- 2,52,10,000 underlying Equity Shares of ₹ 10/- each fully paid up ranking pari-passu with existing shares were issued in the name of the Depository, The Bank of New York, representing the Global Depository Receipts (GDR) issue. GDRs do not carry any voting rights until they are converted into equity shares.
- 25,00,000 Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share, as a special series with differential rights to dividend and voting, were issued during the financial year 2004-05. These shares have no right to the dividend and each share carry twenty voting rights as compared to one voting right per existing equity share and were under the lock-in-period of three years from the date of allotment. These shares are held by the promoters and promoter group companies.
- The holders of all the above Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in event of liquidation of the Company in the proportion to their shareholdings.

(iii) Details of shareholders holding more than 5% Equity Shares in the Company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Numbers	Percentage	Numbers	Percentage
(a) The Bank of New York [the Depository, refer footnote (ii)(b)]	2,52,10,000	54.43	2,52,10,000	54.63
(b) LPJ Holdings Pvt. Ltd. [refer footnote-(ii)(a)]	61,76,572	13.34	74,18,648	16.08
(c) LPJ Holdings Pvt. Ltd. [refer footnote-(ii)(c)]	19,26,612	4.16	25,00,000	5.42

(iv) Details of shares held by promoter in the Company

Name of the promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	Numbers of shares held	Percentage of shares held	Numbers of shares held	Percentage of shares held	
Mr. Karamjit Singh Jaiswal	5,31,880	1.15%	5,31,880	1.15%	-
Mr. Karamjit Singh Jaiswal (Special Series Shares)	3,51,485	0.76%	-	0.00%	0.76%
Ms. Roshini Sanah Jaiswal	74,816	0.16%	74,816	0.16%	0.00%
Mrs. Shakun Jaiswal	100	0.00%	100	0.00%	0.00%



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(Contd.)

Name of the promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	Numbers of shares held	Percentage of shares held	Numbers of shares held	Percentage of shares held	
Mrs. Shakun Jaiswal (Special Series Shares)	1,30,531	0.28%	-	0.00%	0.28%
LPJ Holdings Pvt. Ltd.	61,76,572	13.34%	74,18,648	16.08%	-2.74%
LPJ Holdings Pvt. Ltd. (Special Series Shares)	19,26,612	4.16%	25,00,000	5.42%	-1.26%
K. S. J. Finance & Holdings Pvt. Ltd.	11,92,256	2.57%	11,92,256	2.58%	-0.01%
K. S. J. Finance & Holdings Pvt. Ltd. (Special Series Shares)	91,372	0.20%	-	0.00%	0.20%
R. J. Shareholdings Pvt. Ltd.	5,76,000	1.24%	5,76,000	1.25%	-0.01%
S. J. Finance And Holdings Pvt. Ltd.	11,30,304	2.44%	11,30,304	2.45%	-0.01%
Quick Return Investment Company Ltd.	1,14,904	0.25%	1,14,904	0.25%	0.00%
Double Durable Investments Ltd.	1,11,657	0.24%	1,11,657	0.24%	0.00%
Fast Buck Investments & Trading Pvt. Ltd.	9,88,900	2.14%	9,88,900	2.14%	0.00%
Snowwhite Holdings Pvt. Ltd.	2,100	0.00%	2,100	0.00%	0.00%
Orissa Holdings Ltd. (OCB)	10,03,800	2.17%	10,03,800	2.18%	-0.01%
County Investment Pvt. Ltd.	4,03,120	0.87%	-	0.00%	0.87%
Hyderabad Distilleries and Wineries Pvt. Ltd.	6,42,570	1.39%	-	0.00%	1.39%
Palm Beach Investments Pvt. Ltd.	1,96,386	0.42%	-	0.00%	0.42%

14. OTHER EQUITY

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital Redemption Reserve	580	580
(b) Securities Premium [refer footnote-(iii)]	3,810	3,697
(c) General Reserve	2,016	2,016
(d) Share Option Outstanding Account [refer footnote-(v)]	351	56
(e) Retained Earning [refer footnote-(iv)]	(5,145)	(6,207)
Total	1,612	142

Footnote(s):

(i) Capital Redemption Reserve:

Capital Redemption Reserve was created pursuant to buy back of equity shares in earlier years out of free reserves. The Capital Redemption Reserve amount may be applied by the company, in paying up unissued share of the Company to be issued to shareholders of the Company as fully paid bonus shares.

(ii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. Where the Company issues shares at premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium account". Additions during the year represents premium received on allotment of 1,67,516 equity shares under ESOP. The Company may issue fully paid-up bonus shares to its members out of balance lying in the Securities Premium Account and the Company can also use this reserve for buy-back of shares.

(iii) General Reserve

General reserve is created out of profit earned by the company by way of transfer from surplus in the statement of profit & loss. There are no restrictions on utilisation of the reserve except in case of declaration of dividend out of Reserves as prescribed under The Companies (Declaration and Payment of Dividend) Rules, 2014 read with Section 123 of The Companies Act 2013.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(iv) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It also Includes revaluation reserve of ₹ 24,490 Lakhs (Previous year : ₹ 24,501 Lakhs) related to land situated at Hamira and Behror.

(v) Share Option Outstanding Account

The fair value of the equity-settled share based payment transactions is recognised in standalone statement of profit and loss with corresponding credit to Employee Stock Options Outstanding Account.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Fair value (₹ in lakhs)	Number of shares	Fair value (₹ in lakhs)
Balance at the beginning of the year	8,37,584	56	-	-
Add: * Grant of options during the year recognised in employee benefits expense	4,83,000	135	8,37,584	56
Less: Issue of equity shares on exercise of employee stock options	1,67,516	113	-	-
Add: recognised as an employee benefits expense for earlier year options	-	273	-	-
Balance at the end of the year	11,53,068	351	8,37,584	56

* Fair value of ₹ 282 Lakhs

(vi) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.

15. BORROWINGS

(A) Non current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
From banks		
Term loan (refer footnote-(i))	16,411	19,980
From others		
Car loans (refer footnote-(iii))	49	35
Unsecured		
Inter corporate loan from related party (refer footnote-(iv)(a))	2,996	745
Total	19,456	20,760

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturity of long term loan from bank (refer footnote-(i))	1,201	184
Cash credits from banks (refer footnote-(ii))	1,178	352
Current maturity of long term car loan (refer footnote-(iii))	26	17
Unsecured		
Inter corporate loan from related parties (refer footnote-(iv)(b))	244	284
Total	2,649	837



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

Footnote(s):

Nature of Security	Terms of Repayment
(i) Rupee loan from IndusInd Bank amounting to ₹ 17,612 Lakhs (Previous year : ₹ 20,164 Lakhs) net of processing fee of ₹ 260 Lakhs (Previous year : ₹ 330 Lakhs) is secured against :- (a) office space at 9th and 10th floor, Ashoka Estate, 24 Barakhamba Road, New Delhi. (b) Land and Building at Plot No 78, Sector 18, Institutional Area, Gurgaon, Haryana. (c) Lien on fixed deposit of ₹ 1505 Lakhs (Previous year : ₹ 1477 Lakhs) on exclusive basis. (d) Equitable Mortgaged over House No. 82, Sundar Nagar, New Delhi owned by Promoters.	Date of maturity: 20th June 2034, no of installments due: 135, Rate of Interest is 11% p.a.
(ii) Cash Credit limits are part of working capital facilities availed from Kotak Mahindra Bank.	This limit is secured by first and Exclusive charge on Current Assets and movable fixed assets of Hamira Plant, Punjab both present and future, equitable mortgaged on residential property owned by group concern and personal guarantee of promoters.
(iii) Car Loans of ₹ 75 Lakhs (Previous year : ₹ 52 Lakhs) are secured by recording of endorsement on the Registration Certificates of the respective cars in favour of lenders by the Transport Authority.	Date of maturity : 05th Oct 2027, no of installments for all car loan due : 209. Rate of interest 7.21% to 8.99 % p.a.
(iv) (a) Includes ₹ 2287 Lakhs (Previous year : ₹ Nil) carrying interest at 7.50% p.a. for a period of 10 years. (b) Includes loan of ₹ 117 Lakhs (Previous year : ₹ 162 Lakhs) for which term of repayments have not been stipulated and therefore it is treated as repayable on demand.	
(v) The company has utilised the borrowings from banks and others for the specific purposes for which it has been borrowed. There has been no default with regard to repayment of borrowing and interest during the year and there are no overdue amount on this account as on the date of balance sheet. The company has not been declared as wilful defaulter by any bank or financial institution or any other lender.	

16. LEASE LIABILITIES

(A) Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (ROU)	-	19
Total	-	19

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (ROU)	19	32
Total	19	32



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

Footnote(s):

The movement in Lease liabilities (Non-current and Current) is as follows:

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	51	76
Add: Addition	-	-
Add: Accretion of interest	4	8
Less: Payments	36	33
Balance as at end of the year	19	51

17. OTHER FINANCIAL LIABILITIES**(A) Non-current**

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	4,119	5,969
Total	4,119	5,969

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed matured deposits [refer footnote-(i)]	7	26
Interest accrued but not due	59	72
Interest accrued and due [refer footnote-(ii)]	400	222
Security deposits	1,652	58
Employee benefits [refer footnote-(iii)]	775	550
Expenses payable	338	390
Other liabilities [refer footnote-(iv)]	73	74
Total	3,304	1,392

Footnote(s):

- (i) There are no amounts due for payment to the Investor Education and Protection Fund (IEPF) in terms of section 125 of the Companies Act, 2013.
- (ii) Includes ₹ 247 Lakhs payable to stockists on the security deposits, ₹ 151 Lakhs payable to related parties on inter corporate loans.
- (iii) Includes ₹ 46 Lakhs payable to ex- employees outstanding for a period of more than 3 years.
- (iv) Includes ₹ 65 Lakhs (Previous year : ₹ 60 Lakhs) on account of business surplus payable to ex-franchisee partner pertaining to earlier years pending final settlement.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

18. PROVISIONS

A. Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity	1,774	1,857
- Compensated absences	131	138
Total	1,905	1,995

B. Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity	371	374
- Compensated absences	84	75
Total	455	449

Footnote(s):

- (i) Gratuity and compensated absences have been determined by actuary in terms of Ind AS 19 and accordingly provided. (for detail refer note 33).

19. OTHER LIABILITIES

(A) Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred income [refer footnote-(i)]	274	381
Others [refer footnote-(iii)]	240	405
Total	514	786

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	280	369
Advances received against assets held for sale[refer note 12(i)]	4,627	4,627
Statutory dues [refer footnote-(iii)]	938	1,459
Deferred income [refer footnote-(i)]	367	292
Total	6,212	6,747

Footnote(s):

- (i) Represent difference in fair value and carrying value of security deposit received.
- (ii) Represents advance received from customer in earlier years for enhancing the production capacity of the Plant which is being adjusted from the job work service income on regular intervals as per the stipulations laid out in the agreement. Management is of the view that the same is exempt deposit within the meaning of sec 2(31) of the Companies Act, read with Acceptance of deposit (rules) 2014.
- (iii) Includes provision of custom duty of ₹ 470 Lakhs (Previous year : ₹ 381 Lakhs) in respect of goods in transit and provision of excise duty of ₹ 124 Lakhs (Previous year : ₹ 283 Lakhs) in respect of closing stock of finished goods.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

20. TRADE PAYABLES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of Micro Enterprises and Small Enterprises: and	51	27
Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	4,893	5,550
Total	4,944	5,577

Ageing schedule of Trade payable from the date of transaction:

Particulars	As at March 31, 2023				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
a) Undisputed trade payables					
Micro Enterprises and Small Enterprises	49	-	-	2	51
Others	4,571	81	55	186	4,893
Total	4,620	81	55	188	4,944
b) Disputed trade payables					
Micro Enterprises and Small Enterprises					
Others	-	-	-	-	-
Total	-	-	-	-	-
Balance as on March 31, 2023	4,620	81	55	188	4,944

Particulars	As at March 31, 2022				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
a) Undisputed trade payables					
Micro Enterprises and Small Enterprises	20	-	-	7	27
Others	4,610	177	122	587	5,496
Total	4,630	177	122	594	5,523
b) Disputed trade payables					
Micro Enterprises and Small Enterprises	-	-	-	-	-
Others	-	-	-	54	54
Total	-	-	-	54	54
Balance as on March 31, 2022	4,630	177	122	648	5,577

Footnote(s):

- (i) This information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(ii) Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year		
- Principal Amount Unpaid	51	27
- Interest due	2	6
The amount of interest paid by the buyer in term of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to suppliers beyond the appointed day during the year		
- Payment made beyond the Appointed date	0	0
- Interest paid beyond the Appointed date	0	0
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	1	1
The amount of interest accrued and remaining unpaid at the end of the year.	2	6

(iii) Refer note 38(a) (iii) and (c) for commodity price risk and liquidity risk

21. REVENUE FROM OPERATIONS

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products (including excise duty) [refer footnote-(i)]	49,387	35,182
(b) Sale of services (Job work) [refer footnote-(iv)]	7,501	8,808
(c) Other operating revenues [refer footnote (ii)]	1,057	867
(d) Revenue from franchisee business [refer footnote-(iii)]	257	288
Total	58,202	45,145

Footnote(s):

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Sale of products comprises		
(a) Manufactured goods		
Malt & malt extract	4,695	3,349
Processed milk	2,808	3,439
ENA/Liquor	37,617	24,561
By Product/Others	2,736	2,436
	47,856	33,785
(b) Traded goods		
Petroleum products	1,524	1,296
Others	7	101
	1,531	1,397
	49,387	35,182
(ii) Other operating revenues comprises		
Royalty	802	641
Duty drawbacks	90	66
Scrap sales	98	98
Commission/Marketing income	67	62
	1,057	867



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(iii) Income from franchisee business		
Company has entered into supply agreement with few parties. Under the agreement, parties manufacture at their own cost under supervision of the company and sell the same to retailers (Licencees) on behalf of the company. Revenue is recognised net of cost of goods sold. The gross revenue and cost of goods sold reported are unconfirmed and certified by the management as under:		
Sales from franchisee business	29,287	21,243
Less : Cost of goods sold	29,030	20,955
Net Revenue	257	288

(iv) Refer Note 7(iv)(b) in respect of unbilled revenue.

22. OTHER INCOME

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income <i>(refer footnote-(i))</i>	181	122
Rental maintenance income	271	188
Profit on sale of vehicle	-	98
Rent other	2	2
Profit on sale of investment <i>(refer footnote-(ii))</i>	200	-
Rent from investment properties	1,411	1,276
Gain on financial instruments at fair value through profit or loss	376	307
Liabilities/ provisions no longer required written back <i>(refer footnote-(iii))</i>	1,582	3,206
Misc. income <i>(refer footnote-(iv))</i>	336	48
Total	4,359	5,247

Footnote(s):

- (i) Includes interest of ₹ 40 Lakhs (Previous year : ₹ 13 Lakhs) on income tax refund, ₹ 96 Lakhs interest on FD (Previous year : ₹ 83 Lakhs), ₹ 44 Lakhs interest on loans given to related party and others (Previous year : ₹ 26 Lakhs).
- (ii) Includes an item of exceptional nature being gain on sale of investment held in associates of ₹ 198 Lakhs (Previous year : ₹ Nil) made to a group entity at arms length price determined on the report of Registered Valuer.
- (iii) Includes:
 - (a) Reversal of provision in respect of bad and doubtful debts, advances written off, recovered during the year, write back of Advances from customers, Trade and expenses payable, security deposit aggregating to ₹ 1373 Lakhs as no longer required/ payable.
 - (b) items of exceptional nature being reversal of provision of ₹ 185 Lakhs (Previous year : ₹ Nil) for earlier years in respect of loans given to subsidiary company as subsequently realised.
- (iv) Includes items of exceptional nature:
 - (a) settlement of insurance claims of earlier years of ₹ 237 Lakhs (including interest of ₹ 106 Lakhs) (Previous year : ₹ Nil) pending realisation.
 - (b) settlement of other claims (mesne) Profits of ₹ 45 Lakhs (Previous year : ₹ Nil) subsequently realised.
 - (c) ₹ 52 Lakhs (Previous year : ₹ 45 Lakhs) gain on foreign exchnage fluctuation.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

23. COST OF MATERIAL CONSUMED

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	2,259	2,174
Add: Purchases	29,009	23,673
	31,268	25,847
Less: Inventory at the end of the year	2,958	2,259
Consumption	28,310	23,588

24. PURCHASES OF STOCK-IN-TRADE

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Petroleum products	1,484	1,281
Others	15	-
Total	1,499	1,281

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<u>Inventories at the beginning of the year:</u>		
Finished goods	808	613
Stock-in-trade	62	25
Work-in-progress	218	626
	1,088	1,264
<u>Inventories at the end of the year:</u>		
Finished goods	828	808
Stock-in-trade	33	62
Work-in-progress	423	218
	1,284	1,088
Decrease/(Increase)	(196)	176

26. EMPLOYEE BENEFIT EXPENSES

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	6,115	6,085
Share based payments <i>[refer note 14(v)]</i>	407	56
Gratuity & compensation absences <i>[refer note 33]</i>	286	327
Contribution to provident, family pension fund	296	324
Contribution to employees' state insurance	91	98
Staff welfare expenses	139	134
Total	7,334	7,024



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

27. FINANCE COST

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on		
Borrowings	2,597	2,388
Security deposit received	226	358
Lease liabilities	4	8
Other (including bill discounting charges/on statutory dues, processing fees and foreclosure charges etc)	224	128
Total	3,051	2,882

28. DEPRECIATION AND AMORTISATION EXPENSES

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(Refer Note no 2.3(d) & (e) of accounting policy.)		
Depreciation on property, plant & equipment	928	921
Depreciation on investment property	44	45
Amortisation of right-of-use assets	29	30
Total	1,001	996

29. OTHER EXPENSES

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spare parts	289	427
Power and fuel	5,945	5,025
Repairs - Buildings	113	156
- Plant and machinery	306	384
Excise duty [refer footnote (i)]	(158)	203
Contractual manufacturing cost	981	993
Carriage & others	302	345
Rent (net)	19	25
Rates & taxes	1,038	897
Insurance	144	123
Travelling expenses	208	131
Other repairs & maintenance	320	324
Bad debts, advances and stock written off	895	1,554
Provision for doubtful debts and advances	15	26
Provision for inventory for obsolete stock	31	5
Fixed assets written off	1	-
Loss on sale of fixed assets	14	-
Directors' fee	9	9
Security expenses	294	292
Forwarding charges	278	253
Advertisement, publicity and sales promotion	536	989
Auditor's remuneration [refer footnote (ii)]	23	22
Legal & professional expenses	343	367
Fair value loss on financial instruments	359	332
Miscellaneous expenses	785	861
Total	13,090	13,743



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

Footnote(s):

- (i) Represents the difference between excise duty on valuation opening and closing inventory of finished goods.
(ii) **Payment to statutory auditor**

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
For audit	17	17
For limited review	5	5
Out of Pocket Expenses	1	-
	23	22

other auditors expenses included in legal & professional expenses.

30. PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

The Company has discontinued its operations at Sahibabad glass division. The disclosures as required under Indian Accounting Standard - 105 are given below.

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Revenue		
Miscellaneous Income	79	-
Liabilities/provisions no longer required written back	-	34
Total revenue	79	34
(B) Expenses		
Employee benefits expenses		
Salaries, Wages, Bonus and Gratuity	8	7
Other expenses		
Rates & taxes	6	5
Travelling expenses	-	0
Other repairs & maintenance	0	0
Bad Debts, Advances and Stock written off	-	32
Security Expenses	6	5
Legal & professional expenses	-	1
Miscellaneous expenses	1	1
Total expenses	21	51
Profit/(Loss) for the year (A - B)	58	(17)
Less: Tax expense	-	-
Profit/(Loss) after tax for the year	58	(17)
Total Assets	41	46
Total Liabilities	4,689	4,630
Cash Flow from discontinued operations included in above		
- Operating activities	62	-
- Investing activities	-	-
- Financing activities	(62)	-



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

31. EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the net profit for the year attributable to equity shareholders by 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 share, other than potential equity shares.

For the purpose of calculating the diluted EPS the net profit for the year attributable to equity shareholders and weighted average number of equity shares outstanding during the year are adjusted for the effects all dilutive potential equity shares.

Earnings per share is computed as under

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) attributable to shareholders (₹ in lakhs)		
From continuing operations	861	79
From discontinued operations	58	[17]
Total	919	62
Weighted average number of equity shares at the beginning of the year	4,61,48,112	4,61,48,112
Add: Equity shares on account of exercise of employee stock option	1,67,516	-
Weighted average number of equity shares at the end of the year	4,63,15,628	4,61,48,112
Weighted average number of equity shares used for computing basic earning per share	4,63,15,628	4,61,48,112
Add: Weighted average number of potential equity shares on account of employee stock options	11,53,067	8,37,584
Weighted average number of equity shares used for computing diluted earning per share	4,74,68,695	4,69,85,696
Basic earnings per share of ₹ 10 each (₹)		
From continuing operations	1.86	0.18
From discontinued operations	0.13	[0.04]
Total basic earnings per share	1.99	0.14
Diluted earnings per share of ₹ 10 each (₹)		
From continuing operations	1.81	0.18
From discontinued operations	0.12	[0.04]
Total diluted earnings per share	1.93	0.14

32. CONTINGENT LIABILITIES:

(Refer note 2.3(x) of Significant Accounting Policies)

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Claim against the company not acknowledged as debt :		
Service tax (footnote (i))	180	180
Sales tax /VAT (footnote (ii))	615	718
Employee state insurance/others (footnote (iii))	214	214
Others (footnote (iv))	60	22
Total	1,069	1,134

Footnote(s) :

(i) Service tax

- (a) Demand of service tax under service of supply of tangible goods ₹ 124 Lakhs (Previous year : ₹ 124 Lakhs).
- (b) Demand of service tax and penalty under management, maintenance and repair services ₹ 18 Lakhs (Previous year : ₹ 18 Lakhs).
- (c) Demand of ₹ 38 Lakhs against Excise audit at UG covering period of April 2014 to June 2017 (Previous year : ₹ 38 Lakhs).



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(ii) Sales tax / VAT

- (a) Demand of sales tax & penalty under Telangana VAT Act on account of VAT on royalty ₹ 103 Lakhs (Previous year : ₹ 103 Lakhs).
- (b) Demand of sales Tax & penalty under Punjab VAT Act on account of input VAT credit denied on rice husk ₹ 220 Lakhs (Previous year : ₹ 220 Lakhs).
- (c) Demand of sales tax under Haryana VAT Act on account of disallowance of credit of excess VAT deposited due to rate difference ₹ 40 Lakhs (Previous year : ₹ 40 Lakhs).
- (d) Demand for disallowance of ITC on purchase of rice flour ₹ 108 Lakhs (Previous year : ₹ 108 Lakhs).
- (e) Demand of sales tax under Ranchi VAT Act Assessment for FY 2015-16 ₹ 65 Lakhs (Previous year : ₹ 65 Lakhs).
- (f) Demand of sales tax under Ranchi VAT Act Assessment for FY 2016-17 ₹ 8 Lakhs (Previous year : ₹ 8 Lakhs).
- (g) Demand of sales tax under Dehradun VAT Act Assessment for FY 2016-17 ₹ 71 Lakhs (Previous year : ₹ 71 Lakhs).

(iii) Employee state insurance/employee related

- (a) Claim in respect of case filed by ESI Corporation ₹ 6 Lakhs (Previous year : ₹ 6 lakhs).
- (b) Employees related claims ₹ 208 Lakhs (Previous year : ₹ 208 Lakhs).

(iv) Others

- (a) Claim by Punjab Government in respect of amount paid to Mahalaxmi Sugar Mills pending before the 'The Court of Civil Judge (Senior Division), Kapurthala' ₹ Nil (Previous year : ₹ 22 Lakhs).
- (b) There are certain claims against the Company relating to usage of trade mark etc., which have not been acknowledged as debts. The quantum and outcome of such claims is not ascertainable at this stage.
- (c) Includes ₹ 60 lakhs deposited pending completion of assessment in response to Notice of Demand u/s 100(1) Of NDMC ACT 1994.

(v) Income Tax Act, 1961

- (a) Protective addition of ₹ 5657 Lakhs and substantive addition of ₹ 107 Lakhs made in the assessment proceedings u/s 153 A in earlier years (AY 2009-10 to AY 2013-14) on account of excessive sales promotion expenses and alleged accommodation purchases respectively were deleted by CIT (A) (except sales promotion expenses of ₹ 77 Lakhs which was confirmed by CIT (A).) against which department has filed appeal(s) and company has filed cross objection to the confirmed addition before the ITAT which is pending for adjudication. For assessment year 2009-10 and 2010-11, ITAT has dismissed the second appeal of Department regarding relief of sales promotion expenses of ₹ 2655 Lakhs. The company has strong legal reasons that appeal of the Department for remaining years will be dismissed and the company will get the remaining relief of ₹ 77 Lakhs.
- (b) Assessment under section 147 in respect of assessment year 2016-17 has been made by making certain disallowances/ addition of ₹ 445 Lakhs on account of late deposit of provident fund and alleged bogus purchases resulting in reduction of carry forward of losses to the same extent. The Company have filed appeal before first appellate authority and has strong legal reasons to get relief.
- (c) Rectification order U/s 154 for AY 2017-18 making total additions of ₹ 1012 Lakhs on account of disallowance of expenses u/s 36(1) (va), 201(1A)/206 C(7) and provision for obsolete inventory has been passed. The additions made by the Assessing officer purports to reduction of carry forward of losses without any current tax impact. Aggrieved by the disallowances made by the A.O. the assessee company have preferred an appeal before first appellate authority which is pending. The company expects substantial relief considering the legal position and past record.

(vi) The Company is contesting these above demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the standalone financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursements in respect of the above contingent liabilities.

(vii) In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the Company's results of operations or financial condition.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

33. EMPLOYEE BENEFITS

(A) Defined contribution plans

Refer Note 2.3(o) of Accounting Policy

[All amounts in ₹ Lakhs]

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Employers' contribution to provident fund	296	324
(ii) Employers' contribution to employees' state insurance	91	98

Included in 'Contribution to Provident, Family Pension and 'Employees' State Insurance (Refer Note 26)

(B) Defined benefit plans

The benefit of Gratuity is payable as per the Payment of Gratuity Act, 1972 or maximum gratuity payable under the said Act, which ever is lower. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. The company does not have any funded plan.

The following table summarises the components of net benefit expenses and the provision status for the plans as determined by Actuary.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Assumptions		
(a) Discount rate p.a.	7.36%	7.15%
(b) Attrition rate p.a.	10%	10%
(c) Salary Rise p.a.	6%	6%
(d) Rate of return of plan assets	N.A.	N.A.
(e) Expected average remaining working lives of employees (in years)	13.59	14.34
(ii) Change in the present value of obligation		[All amounts in ₹ Lakhs]
(a) Present value of obligation as at beginning of the year	2,231	2,232
(b) Interest cost	152	142
(c) Current/Past service cost	117	123
(d) Benefit paid	(215)	(240)
(e) Actuarial (gain)/loss on obligations	(140)	(26)
(f) Present value of obligation as at end of the year	2,145	2,231
(iii) Amount recognised in the balance sheet		
(a) Present value of obligation as at end of the year	2,145	2,231
(b) Fair value of plan assets as at the year end	-	-
(c) (Asset) / Liability recognised in the balance sheet	2,145	2,231
Net liabilities recognised in the balance sheet accounted for as below:		
Provision non current (Refer Note 18 A)	1,774	1857
Provision current (Refer Note 18 B)	371	374



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

33. EMPLOYEE BENEFITS (Contd.)

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(iv) Expenses recognised in the Statement of Profit and Loss		
(a) Under Profit & Loss		
Current/Past service cost	117	123
Interest cost	152	142
Actuarial (gain)/loss on obligations	-	-
(b) Total Expenses recognised in the Statement of Profit and Loss	269	266
(c) Remeasurement other comprehensive Income (OCI)	(140)	(26)
Net impact on total comprehensive income (TCI)	129	240

(v) Sensitivity analysis:

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	
	1% increase	1% decrease
Discount rate	(93)	102
Salary increase rate	102	(95)
Employee attrition rate	5	(6)

Particulars	For the year ended March 31, 2022	
	1% increase	1% decrease
Discount rate	(98)	107
Salary increase rate	107	(99)
Employee turnover	5	(5)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.

34. RELATED PARTY DISCLOSURES

In accordance with the requirements of "IND-AS 24" on the Related Party Disclosures, the transactions and Related Parties with whom transactions have taken place during the year are as follows:

(A) Detail of related parties with whom the Company had transaction during the year.

Description of relationship	Names of related parties
Holding Company	LPJ Holdings Pvt. Ltd.
Subsidiary Companies	JIL Trading Pvt. Ltd. S.R.K Investments Pvt. Ltd. Sea Bird Securities Pvt. Ltd. Natwar Liquors Pvt. Ltd. L.P. Investments Ltd. Yoofy Computech Pvt. Ltd. (Struck off during the year) <i>[refer footnote (iii)]</i>
Associates	Hyderabad Distilleries & Wineries Pvt. Ltd.
Key Managerial Personnel, Promoters and their relatives:	Mr. Karamjit Singh Jaiswal (Promoter) Ms. Roshni Sanah Jaiswal (Promoter & Chief Restructuring Officer) Mr. Ravi Manchanda (Managing Director) Mr. Anil Vanjani (CEO & CFO) Mr. Roopesh Kumar (Company Secretary)



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

Description of relationship	Names of related parties
Director (Non-executive)	Mrs. Kiran Indira Kapur Mrs. Anjali Varma Mrs. Sushma Sagar Mrs. Asha Saxena Ms. Vidhi Goel
Enterprises over which Major shareholders, Key Management Personnel and their relatives have significant influence / control :	Milkfood Ltd. Fast Buck Investments & Trading Pvt. Ltd. Galaxy Pet Packaging Pvt. Ltd. Quick Return Investments Company Ltd. Double Durable Investments Ltd. Devyani Construction Pvt. Ltd. Ashwa Buildcon Ltd. Mata Constructions & Builders Pvt. Ltd. Swanrose India Pvt. Ltd. Anjani Estates Ltd. LPJ Holdings Pvt. Ltd. Ispace Developers Pvt. Ltd. Fast Growth Estates Pvt. Ltd.

(B) Details of transactions carried out with the related parties in the ordinary course of business:

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Holding Company		
LPJ Holdings Pvt. Ltd.		
Loan received	90	-
(ii) Subsidiary Companies		
(a) JIL Trading Pvt. Ltd.		
Expenditure incurred by JIL Trading Pvt. Ltd. on behalf of the Company	14	7
Expenses incurred on behalf of JIL Trading Pvt. Ltd.	-	2
(b) Natwar Liquors Pvt. Ltd.		
Expenditure incurred by Natwar Liquors Pvt. Ltd. on behalf of the Company	0	1
(c) L.P. Investments Ltd.		
Advance given	2	-
Refund of advance	44	-
(iii) Associates		
Hyderabad Distilleries & Wineries Pvt. Ltd.		
Advance given	400	7
Loan taken	-	16
Payment made on behalf of associate	7	18
Refund of advance	288	-
Repayment of loan to HDWPL	-	2
Interest received	38	1
(iv) Key Management Personnel, Promoter, Director and their relatives:		
(a) Mr. Ravi Manchanda		
Managerial remuneration	48	47
Refund of advance	28	-
Loan received	-	350
Repayment of loan	-	350



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(b) Mr. Anil Vanjani		
Managerial remuneration	338	265
(c) Ms. Roshni Sanah Jaiswal		
Managerial remuneration	94	94
Expenses incurred on behalf of the Company	13	17
Expenses incurred on behalf of Ms. Roshni Sanah Jaiswal	5	17
(d) Mr. Roopesh Kumar		
Managerial remuneration	23	21
(e) Mrs. Kiran Indira Kapur		
Sitting fee paid	3	3
(f) Mrs. Anjali Varma		
Sitting fee paid	2	2
Adjustment of advance	4	-
(g) Mrs. Sushma Sagar		
Sitting fee paid	1	1
(h) Mrs. Asha Saxena		
Sitting fee paid	0	1
(i) Ms. Vidhi Goel		
Sitting fee paid	2	2
(v) Enterprises over which Major shareholders, Key Managerial Personnel, Promoter and their relatives have significant influence / control :		
(a) Milkfood Ltd.		
Expenses incurred by company on behalf of Milkfood Ltd.	16	12
Rental income	41	41
Expenses incurred by Milkfood Ltd. on behalf of the Company	-	2
Payment made to vendor on behalf of the Company	-	17
(b) Galaxy Pet Packaging Pvt. Ltd.		
Interest paid	0	0
(c) Quick Return Investment Company Ltd.		
Repayment of loan	2	-
Interest paid	9	12
(d) Double Durable Investments Ltd.		
Repayment of loan	1	-
Interest paid	0	0
(e) Devayani Construction Pvt. Ltd.		
Loan received	-	320
Repayment of loan	-	320
Interest paid	-	6
(f) Ashwa Buildcon Ltd.		
Loan received	2,423	-
Repayment of loan	135	-
Advance Recd for Share sale	200	-
Sale of investment	(200)	-
Advance given	-	271
Refund of advance	18	294



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest received	-	21
Interest paid	81	-
(g) Mata Constructions & Builders Pvt. Ltd.		
Repayment of loan	123	110
Interest paid	85	97
(h) Swanrose India Pvt. Ltd.		
Advance given/Payment made on behalf of the Company	7	156
Refund of advance	6	156
Sale of others (Santizers)	27	432
Rental income	1	1
(i) Anjani Estates Ltd.		
Refund of advance	2	-
Provision for advance	-	4
(j) Fast Growth Estates Pvt. Ltd.		
Loan received	200	-
Repayment of loan	200	-
Interest Paid	0	-
(k) Ispace Developers Pvt. Ltd.		
Expenses incurred on behalf of Ispace Developers Pvt. Ltd.	9	-

(C) Outstanding balance as at end of the year

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Holding Company		
LPJ Holdings Pvt. Ltd.		
Receivable/(Payable)	(90)	-
(ii) Subsidiary Companies		
(a) JIL Trading Pvt. Ltd.		
Receivable/(Payable)	10	10
(b) L.P. Investments Ltd.		
Receivable/(Payable)	143	185
(c) Natwar Liquors Pvt. Ltd.		
Receivable/(Payable)	-	0
(iii) Associates		
Hyderabad Distilleries & Wineries Pvt. Ltd.		
Receivable/(Payable)	158	6
(iv) Key Managerial Personnel, Promoter, Director and their relatives:		
(a) Mr. Ravi Manchanda		
Receivable/(Payable)	-	27
(b) Mr. Karamjit Singh Jaiswal/Mrs. Shakun Jaiswal		
Receivable/(Payable)	(20)	(20)
(c) Ms. Roshni Sanah Jaiswal		
Receivable/(Payable)	(18)	-
(d) Mrs. Anjali Verma		
Receivable/(Payable)	33	37



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(v) Enterprises over which major Shareholders, Key Managerial Personnel, Promoter and their relatives have significant influence / Control		
(a) Milkfood Ltd.		
Receivable/(Payable)	2	(4)
(b) Fast Buck Investments & Trading Pvt. Ltd.		
Receivable/(Payable)	(8)	(8)
(c) Galaxy Pet Packaging Pvt. Ltd.		
Receivable/(Payable)	(2)	(2)
(d) Quick Return Investments Company Ltd.		
Receivable/(Payable)	(162)	(156)
(e) Double Durable Investments Ltd.		
Receivable/(Payable)	(3)	(3)
(f) Devyani Construction Pvt. Ltd.		
Receivable/(Payable)	(28)	(28)
(g) Ashwa Buildcon Ltd.		
Receivable/(Payable)	(2,360)	21
(h) Mata Constructions Buildings Pvt. Ltd.		
Receivable/(Payable)	(746)	(869)
(i) Swanrose India Pvt. Ltd.		
Receivable/(Payable)	30	141
(j) Anjani Estates Ltd.		
Receivable/(Payable)	2	4
(k) Fast Growth Estates Pvt. Ltd.		
Receivable/(Payable)	(0)	-

Footnote(s) :

- (i) Related parties have been identified by the management.
- (ii) Key Management Personnel remuneration does not include provision for gratuity and compensated absences which is determined for the Company as whole.
- (iii) No amount has been written off / provided for or written back during the year in respect of amount receivable from or payable to related parties except an investment of Rs one lakh in struck off subsidiary company due to negative net worth.
- (iv) Remuneration paid to KMP excludes expenses incurred in the course of performance of duty.

35. SEGMENT INFORMATION

The company's operating segments are established on the basis of those components of the group that are evaluated regularly by the chief operating officer [the 'Chief Operating Decision Maker' as define in Ind As 108-'Operating Segments'], in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and total liabilities have not been furnished. The Company's business segments are as under:

Beverages: Segment includes manufacturing and supply of Bottled Indian Made Foreign Liquor, Country Liquor, Industrial Alcohol and licensing use of its IMFL brands.

Food: Segment includes manufacturing and supplies of food products and providing services for manufacture of food products.

Others: Segment includes trading of Petroleum products.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as 'Unallocable'.

(A) Primary segment information

(All amounts in ₹ Lakhs)

	Beverages		Food		Others		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i) Segment revenue								
Sales, services and other income	41,155	27,613	15,523	16,236	1,524	1,296	58,202	45,145
Less : Excise duty	(7,611)	(619)	-	-	-	-	(7,611)	(619)
Total revenue	33,544	26,994	15,523	16,236	1,524	1,296	50,591	44,526
(ii) Segment results								
Segment results	3,044	2,062	1,393	1,005	4	9	4,441	3,076
Unallocable Expenditure net of Unallocable Income							386	111
Finance cost							3,051	2,882
Profit/(Loss) before exceptional items							1,004	83
Exceptional items							-	-
Profit/ (Loss) before tax from continuing operations							1,004	83
Profit/(Loss) from discontinued operations							58	(17)
Profit/(Loss) before Tax							1,062	66
Less: Tax expense:							-	4
Profit/ (Loss) after tax							1,062	62

(B) Information about geographical areas:

(All amounts in ₹ Lakhs)

	2022-23	2021-22
(i) Revenue (excluding excise duty)		
Within India	47,718	41,731
Outside India	2,873	2,795
Total	50,591	44,526

36. FAIR VALUE

Fair value measurement:

- (i) All the financial assets and financial liabilities of the company are carried at amortised cost except investment. Investment in subsidiaries are carried at cost less impairment and other investments are carried at fair value.
- (ii) The management assessed that the carrying values of trade and other receivables, deposit, cash and short term deposits, other assets, borrowings, trade and other payables reasonably approximate their fair values because these instruments have short-term maturities.

37. CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity. For the purpose of the Company's capital management, includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financials covenants. To maintain or adjust the capital structure,



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The capital structure is monitored on the basis of net debt to equity and maturity profile of the overall debt portfolio of the Company.

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	19,456	20,760
Current borrowings	2,649	837
Less: Cash and cash equivalents	1,093	209
Net debt	21,012	21,388
Equity share capital	4,631	4,615
Other equity	1,612	142
Total capital	6,243	4,757
Gearing ratio	3.37	4.50

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No significant changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022 except as stated in Note 14(v).

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's principal financial liabilities comprise borrowings, security deposits received, 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 trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors. The company's senior management oversees the management of these risks.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises of three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, trade payables and trade receivables. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. 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:

(All amounts in ₹ Lakhs)

	As at March 31, 2023		As at March 31, 2022	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(241)	241	(232)	232

The impact of increase of 1% in rate of interest is expected to be mitigated by the endeavour to increase in turnover substantially and consequentially the profit.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There does not seem to be any significant risk as transaction in foreign currency are not material.

As there is no significant foreign currency risk, sensitivity analysis showing impact on profit is not calculated.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

iii. Commodity price risk

The Company is exposed to the risk of the price volatility of certain commodities raw materials. Its operating activities inter-alia comprise of manufacture of spirit alcohol/Liquor and malted food products and therefore require a continuous supply of Barley/Nakku/Husk/etc. The Company's Board of Directors have developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The company's long standing relationships with most of the suppliers ensure steady availability of raw materials at competitive prices.

The following table shows the effect of price changes on Husk, Barley & Nakku

(All amounts in ₹ Lakhs)

	As at March 31, 2023		As at March 31, 2022	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(246)	246	(180)	180

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty defaults on its obligations. The Company's exposure to credit risk arises majorly from loan, advances, trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the Company does not expect any credit risk with respect to these financial assets. Trade receivables includes approximately 16 % dues from state government corporations, where probability of default is remote. In respect of trade receivables from other than state government corporations, Company makes a provision for expected credit loss on the basis of simplified approach as prescribed under Ind AS 109 i.e. on expiry of three years or at the time of initiation of legal proceeding whichever is earlier. The Company management reviews trade receivables/ advances on periodic basis and take necessary mitigative measures, wherever required.

(c) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings/ deposits received in the ordinary course of business. The table below summarises the maturity profile of the Company's financial liabilities:

(All amounts in ₹ Lakhs)

	Maturities				Total
	Upto 1 year	1-2 years	2-3 years	Above 3 years	
As at March 31, 2023					
Non-current borrowings	-	644	748	18,064	19,456
Non-current other financial liabilities	-	2,814	378	927	4,119
Current borrowings	2,649	-	-	-	2,649
Trade payables	4,944	-	-	-	4,944
Lease liabilities	19	-	-	-	19
Other financial liabilities	3,304	-	-	-	3,304
Total	10,917	3,458	1,126	18,991	34,492
As at March 31, 2022					
Non-current borrowings	-	541	712	19,507	20,760
Non-current other financial liabilities	-	-	-	5,969	5,969
Current borrowings	837	-	-	-	837
Trade payables	5,577	-	-	-	5,577
Lease liabilities	32	19	-	-	51
Other financial liabilities	1,392	-	-	-	1,392
Total	7,838	560	712	25,476	34,586



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

39. OTHER INFORMATION

- (i) During the year, revenue from operations registered a significant increase resulting in increase in profit before tax despite increase in the cost of production. As a result, negative net worth of the company is reduced on account of the increase in the income. The Company's ability to continue as going concern is dependent upon the further increased revenue from operations, gross margin and reduction in finance cost. The management is hopeful of increasing the revenues further and improving gross/ net margins by adopting the cost saving measures. Therefore, no material uncertainty exists on the company's ability to continue as a going concern.
- (ii) In view of the brought forward losses/ unabsorbed depreciation/ book losses, no provision of Income Tax has been made during the year. In absence of virtual certainty of future taxable profits, the Company has not recognised deferred tax assets during the year.
- (iii) Previous year figures have been reclassified/ regrouped to this year's classification wherever necessary to make them comparable with this year's classification.

40. DISCLOSURE RELATED TO KEY FINANCIAL RATIOS:

Key financial ratios	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	% changes	Reason for variance exceeding 25% as compared to preceding year
(a) Current ratio (in times)	Current assets	Current liabilities	0.57	0.54	4.98%	N.A.
(b) Debt-equity ratio (in times)	Total debt	Equity	3.54	4.54	-22%	N.A.
(c) Debt service coverage ratio (in times)	Earnings available for debt service:= Net Profit after taxes + Non cash operating expenses + Interest - Non Cash Income- Profit on sale of Fixed Assets, etc.	Debt service= Interest and lease payments + Principal repayments	2.22	2.01	10%	N.A.
(d) Return on equity (in %)	Net profits after taxes	Average shareholder's equity	16.70%	1.32%	1162%	Due to significant increase in the revenue from operations and other income.
(e) Inventory turnover Ratio (in times)	Cost of material consumed +Purchase of stock -in -trade	Average inventory	7.30	6.86	6%	N.A.
(f) Trade receivables turnover ratio (in times) [refer footnote(i)]	Revenue from operation	Average accounts receivable	19.35	16.89	15%	N.A.
(g) Trade payables turnover ratio (in times) [refer footnote(ii)]	Net credit purchases	Average trade payables	5.80	4.36	33%	Due to increase in the revenue from operations and other income.
(h) Net capital turnover ratio(in times)	Net sales	Working capital	[7.64]	[6.60]	16%	Due to reclassification/ regrouping of financial liabilities.
(i) Net profit ratio (in %)	Net profits after taxes	Net sales	1.58%	0.14%	1049%	Due to increase in the revenue from operations and other income.
(j) Return on capital employed (in %) [refer footnote(iii)]	Earning before interest and taxes	Capital employed	13.77%	9%	60%	Due to increase in the revenue from operations and other income.



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

Footnote(s) :

- (i) In the absence of the figure of net credit sales, total revenue from operations has been considered for computing Trade Receivables ratio.
- (ii) In the absence of the figure of net credit purchases, total purchases have been considered for computing Trade Payables ratio.
- (iii) Capital Employed = Total equity + Long term borrowings+ Short term borrowings+ deferred tax liabilities+Lease liabilities (current and non current)+ interest accrued on debt.

41 BORROWINGS SECURED AGAINST CURRENT ASSETS

(All amounts in ₹ Lakhs)

Quarter	Name of the bank	Nature of the Current Asset	As per Unaudited Books of Accounts (ageing upto 90 days)	Amount as per Quarterly return & statements	Amount of Difference	Reason for Discrepancies
June, 2022	Kotak Bank	Trade Receivable	2,540	2,540	-	The figure adopted in MSOD report are provisional and before limited review.
		Inventory - Raw Material, Stores & Spares & Packing Material	2,765	2,771	-6	
		Inventory - Finished Goods including WIP	1,093	1,097	-4	
Sep, 2022	Kotak Bank	Trade Receivable	3,171	3,171	-	
		Inventory - Raw Material, Stores & Spares & Packing Material	2,542	2,542	-	
		Inventory - Finished Goods including WIP	1,088	1,088	-	
Dec, 2022	Kotak Bank	Trade Receivable	2,293	2,293	-	
		Inventory - Raw Material, Stores & Spares & Packing Material	2,905	2,905	-	
		Inventory - Finished Goods including WIP	1,343	1,343	-	
March, 2023	Kotak Bank	Trade Receivable	1,919	1,919	-	
		Inventory - Raw Material, Stores & Spares & Packing Material	3,047	3,047	-	
		Inventory - Finished Goods including WIP	1,104	1,104	-	



Notes to Standalone Financial Statements (Contd.)

as at March 31, 2023

42. RELEVANT ADDITIONAL REGULATORY INFORMATION: (OTHER THAN DISCLOSED IN THE RESPECTIVE NOTES)

- (i) The operating cycle of the Company is assumed to be of twelve months in absence of clearly identifiable normal operating cycle and accordingly assets/ liabilities have been classified as current/ non current.
- (ii) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (iii) The Company has not revalued its PPE (including ROU asset) and hence disclosure regarding basis of revaluation is not applicable.
- (iv) The Company has not carried out any transactions with companies struck off under section 248 of the Companies Act 2013 or under section 560 of the Companies Act 1956.
- (v) There is no charge or satisfaction of any charge which is not registered with ROC beyond the statutory period.
- (vi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, Key Managerial Person and the related parties except as stated in the note 6(i) and 8(iii) either severally or jointly with any other person which is either repayable on demand or without specifying any terms or period of demand.
- (vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies act read with companies (restriction on number of layers) rules 2017.
- (viii) The Company has not applied any accounting policy retrospectively or has made a restatement of items in Financial Statements.
- (ix) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (x) The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) 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
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xii) The Company does not have any such transaction which are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xiii) Provisions of Sec 135 of the Companies Act 2013 are not applicable to the company.
- (xiv) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.



Independent Auditor's Report

TO THE MEMBERS OF JAGATJIT INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Jagatjit Industries Limited** (hereinafter referred to as the "Holding Company"), its subsidiaries (Holding Company and its subsidiary together referred to as "the Group") and its associate company, which comprise the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated Cash Flows Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and associate company as were audited by the other auditors, the aforesaid consolidated 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 Group as at March 31, 2023, its profit including other 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 consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder,

and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter:

We draw attention to the below mentioned notes to the accompanying consolidated financial statements which more fully describes the matters.

Note No 6(ii)(b) regarding loan to ex-employee, Note No 9(i) regarding slow/non-moving inventory, Note No 12(i) regarding pending approval from UPSIDC, Note No 17(iv) regarding business surplus payable to ex-franchise partner, Note No 22(ii),(iii) and (iv) regarding liability no longer required and items of exceptional nature and Note No 39(i) regarding going concern.

Our opinion is not qualified 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 consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter mentioned 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 consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

The Key Audit Matter	How the matter was addressed in our audit
1) Litigation Matters: (as described in note 32 of the consolidated financial statements.) The Group operates in various states within India, exposing it to a variety of different Central and State Laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigation and claims. Consequently, provisions and contingent liability disclosures may arise from direct and indirect tax proceeding, legal proceedings including regulatory and other government / department proceedings, as well as investigations by authorities and commercial claims.	Our procedures included the following: <ul style="list-style-type: none">• Obtained an understanding of the Group's process with respect to completeness and recognition of tax contingencies/ claims and provisions.• Read the confirmations, on sample basis, from the Group's external legal counsel on tax litigations and evaluated the independence, objectivity and competency of the Group's specialists involved.• Read relevant tax laws and discussed with the management, to understand the underlying matters in the demand orders / notices and basis for management judgement and estimates.



The Key Audit Matter	How the matter was addressed in our audit
<p>At March 31, 2023, the Group's contingent liabilities for legal matters were ₹ 1069 Lakhs (previous year ₹ 1134 Lakhs).</p> <p>The most significant contingent liability pertains to protective disallowance of sales promotion expenses of ₹ 5657 Lakhs and substantive disallowance of purchases of ₹ 107 Lakhs related to AY 2009-10 to 2013-14 (Previous year ₹ 5657 Lakhs and ₹ 107 Lakhs) under Income Tax Act.</p>	<ul style="list-style-type: none"> • Included tax specialists in our team to perform an evaluation of assumptions used by the management and relevant judgements passed by the authorities, including the interpretation of the relevant tax laws. • Perused the orders of Assessing officer Appellate authorities and the related Jurisdictional High Court judgment on the matter substantially in favour of Group. Assessed the related disclosures in the consolidated financial statements for compliance with disclosure requirements.
<p>2) Revenue recognition from sale of products/ Royalty and Franchise agreements</p> <p>(Note no 21 of the consolidated financial statements)</p> <p>Revenue from sale of products is recognised when control of products has been transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, discounts and incentives. Revenue generated on account of Royalty as per commercial agreements is subject to waiver in respect of Minimum Guarantee Quantum based on the premise of commercial expediency.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Assessed the group's revenue recognition accounting policy for sale of products/ royalty and franchise business including those relating to discounts and incentives. • Understood, evaluated and tested on sample basis the design and operating effectiveness of key internal controls over recognition and measurement of revenue, discounts, and incentives. • Performed test of details on a sample basis and inspected the underlying accounting documents relating to sales and accrual of discounts and incentives. • Tested on a sample basis, sales transactions during the year. • Performed analytical procedures on revenue on all streams. • Assessed the disclosures in the consolidated financial statements in respect of revenue, discounts and incentives for compliance with disclosure requirements.
<p>3) Provision for trade receivables</p> <p>(as described in note 10 of the consolidated financial statements)</p> <p>Trade receivable balances of ₹ 6259 Lakhs (previous year ₹ 7755 Lakhs) represent significant portion of the total assets as at March 31, 2023. Provision for expected credit loss at reporting date is significant at ₹ 3562 Lakhs (Previous year ₹ 4438 Lakhs). Trade receivables include dues from state government corporations, distributors, retailers, contract manufacturing units and franchise partners. The group records expected credit loss for unsecured trade receivables based on defined policy following simplified approach and wherever management considers necessary applying its judgment and estimates. At the reporting date provisions are reviewed. No significant provision for expected loss is made during the year. The state corporations make deductions in respect of various claims which are accounted on receipt of confirmations.</p> <p>Timing of collection of dues from customers may differ from the contractual credit period. Significant judgment is involved in management estimates of the amounts unlikely to be ultimately collected.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Understood, evaluated and tested on a sample basis the design and operating effectiveness of internal controls over trade receivables. • Performed audit procedures on existence of trade receivables, which included reading and comparing balance confirmations with books of account, testing subsequent receipts and testing sales transactions on a sample basis. • Evaluated the assumptions used by management to calculate the expected credit loss for trade receivables through audit procedures which included analysis of ageing, past trend of bad debts write-off. • Assessed the disclosures in the consolidated financial statements for compliance with disclosure requirements.
<p>4. Insurance Claim ₹ 237 Lakhs (as described in Note No 22(iv)(a) of consolidated financial statements).</p>	<p>Our procedures included the following:</p> <p>Assessed and evaluated the design and operation of prevalent internal control, Perused the surveyor's report and the order of the National Consumer Disputes Redressal commission.</p>



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

The Holding Company's management and Board of Directors are 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, Corporate Governance Report etc. included in Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. In connection with the information included in the Annual report i.e Board's Report, Management Discussion and Analysis, Corporate Governance Report, 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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated balance sheet, other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the Indian Accounting Standard (Ind AS) specified under 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, respective management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in

the Group and of its associate are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group 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 the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of Group and its associate 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of Holding company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the 'Other Matters' paragraph of this audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

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

Other Matters

We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹ 99 Lakhs as at March 31, 2023, total revenues of ₹ Nil, total net loss of ₹ 2 Lakhs, total comprehensive loss of ₹ 2 Lakhs for the year ended March 31, 2023 and net cash inflows amounting to ₹ 1 Lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the audit reports of other auditors.

The Consolidated Financial Statements also include the Group's share of net profit (including other comprehensive income) of ₹ 20 Lakhs for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of an associate company, whose financial statements have been audited by other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements as mentioned below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- 1 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 Group so far as it appears from our examination of those books.
 - (c) the consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies [Indian Accounting Standards] Rules 2015, as amended.
 - (e) on the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act read with schedule V, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the group to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies [Audit and Auditors] Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements;



Financial Statements (Consolidated)

- ii. the group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group;
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group 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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice

that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The group has not declared or paid any dividend during the year and has not proposed final dividend for the year and therefore the requirement of compliance of Sec 123 of the Act are not applicable.

2 With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us in respect of Holding company and the auditors of respective subsidiary companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no material qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements *except in the case of Jagatjit Industries Limited [CIN: L15520PB1944PLC001970], the holding company as mentioned in clause i (c) of the CARO report vide Annexure 'B' of the independent auditors report of even date on the standalone financial statements.*

For **VP Jain & Associates**

Chartered Accountants

Firm's registration number: 015260N

Sarthak Madaan

Partner

Membership number: 547131

Place: New Delhi

Date: 14-08-2023

UDIN: 23547131BGYXFJ6125



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JAGATJIT INDUSTRIES LIMITED

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

In conjunction with our audit of the consolidated financial statements of Jagatjit Industries Limited (hereinafter referred to as "the Holding Company") its subsidiaries (the Holding and its subsidiaries together referred as "the Group") and its associate as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, and associate company, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountant of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the

assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate company incorporated in India in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

Group's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Group's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorizations of management and directors of the group; 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 with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Group and its associate, which is a company



Financial Statements (Consolidated)

incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Emphasis of Matters:

Internal Control needs to be further strengthened in respect of following:

- i) Trade receivables/Trade Payables, recovery of loan & advances from employees/suppliers.
- ii) Inventory valuation in respect of stores and spares is done through manual system instead of automation system.

Our opinion is not modified in respect of these matters.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to five subsidiary companies and an associate company, incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of above matter.

For VP Jain & Associates

Chartered Accountants

Firm's registration number: 015260N

Sarthak Madaan

Partner

Membership number: 547131

Place : New Delhi

Date : 14-08-2023

UDIN: 23547131BGYXFJ6125



Consolidated Balance Sheet

as at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Non-current assets			
a) Property, plant and equipment	3A	36,281	36,921
b) Other intangible assets	3B	-	-
c) Capital work-in-progress	3C	74	16
d) Right-of-use assets	3D	15	44
e) Investment property	4	1,711	1,718
f) Financial assets			
i) Investments	5	576	562
ii) Trade receivable	10	196	115
iii) Loans	6A	212	241
iv) Others financial assets	7A	1,273	1,930
g) Other non-current assets	8A	67	109
Total non-current assets		40,405	41,656
2 Current assets			
a) Inventories	9	4,433	3,733
b) Financial assets			
i) Trade receivables	10	2,501	3,202
ii) Cash and cash equivalents	11	1,098	213
iii) Loans	6B	158	-
iv) Others financial assets	7B	521	98
c) Other current assets	8B	1,080	913
d) Assets classified as held for sale	12	38	38
Total current assets		9,829	8,197
TOTAL- ASSETS		50,234	49,853
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	13	4,631	4,615
Other equity	14	1,890	588
Non-Controlling interest		(4)	(4)
Total equity		6,517	5,199
LIABILITIES			
1 Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15 A	19,586	20,846
ii) Lease liabilities	16 A	-	19
iii) Other financial liabilities	17 A	4,119	5,969
b) Provisions	18 A	1,905	1,995
c) Other non-current liabilities	19 A	514	786
Total non-current liabilities		26,124	29,615
2 Current liabilities			
a) Financial liabilities			
i) Borrowings	15 B	2,652	837
ii) Lease liabilities	16 B	19	32
iii) Trade payables	20		
total outstanding dues of micro enterprises & small enterprises		51	27
total outstanding dues of other than micro enterprises & small enterprises		4,899	5,555
iv) Other financial liabilities	17 B	3,305	1,392
b) Other current liabilities	19 B	6,212	6,747
c) Provisions	18 B	455	449
Total current liabilities		17,593	15,039
TOTAL EQUITY AND LIABILITIES		50,234	49,853
Basis of preparation, Measurement and Significant accounting policies,	2		

The accompanying notes 1 to 40 are an integral part of the consolidated financial statements
As per our report of even date

For V.P. Jain & Associates
Chartered Accountants
FRN: 015260N

Sarthak Madaan
Partner
Membership No.: 547131

For and on behalf of the Board of Directors

Ravi Manchanda
Managing Director
DIN: 00152760

Sushma Sagar
Director
DIN : 02582144

Place : New Delhi
Date : 14.08.2023

Anil Vanjani
Chief Executive Officer & CFO

Roopesh Kumar
Company Secretary



Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Notes No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Income			
a) Revenue from operations	21	58,202	45,145
b) Other income	22	4,174	5,247
Total income		62,376	50,392
2 Expenses			
a) Cost of material consumed	23	28,310	23,588
b) Purchases of stock-in-trade	24	1,499	1,281
c) Changes in inventories of finished goods, work in progress and stock in trade	25	(196)	176
d) Excise duty on sale		7,611	619
e) Employee benefits expenses	26	7,334	7,024
f) Finance costs	27	3,051	2,882
g) Depreciation and amortisation expenses	28	1,001	996
h) Other expenses	29	13,092	13,746
Total expenses		61,702	50,312
3 Profit/(loss) before exceptional items and tax (1-2)		674	80
4 Exceptional items		-	-
5 Profit/(Loss) before tax (3+4)		674	80
6 Tax expense:			
Income tax adjustment related to earlier years		-	4
Total tax expenses		-	4
7 Profit/(Loss) for the year from continuing operations (5+6)		674	76
Less : Non Controlling Interest			
Add: Share of Net Profit/(Loss) of Associate		(18)	(11)
8 Profit/(Loss) after tax and share of Associate for the year from continuing operations		656	65
9 Profit/(Loss) for the year from discontinued operations	30	58	(17)
Tax expenses of discontinued operations		-	-
10 Profit/(Loss) for the year (8+9)		714	48
11 Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Fair value changes on Equity Instruments		41	1
Re-measurement gains/(losses) on defined benefit plans	33	140	26
Total Other Comprehensive Income		181	27
12 Total Comprehensive Income for the year (10 +11)		895	75
(Comprising Profit/(Loss) and Other Comprehensive Income for the year)			
13 Profit/(Loss) for the year attributable to			
Equity shareholders of the Holding Company		714	48
Non-controlling interest		-	-
		714	48
14 Other Comprehensive Income/(Loss) for the year attributable to			
Equity shareholders of the Holding Company		181	27
Non-controlling interest		-	-
		181	27
15 Earnings per equity share for continuing operations (in ₹):			
Basic	31	1.45	0.15
Diluted		1.42	0.15
Earnings per equity share for discontinued operations (in ₹):			
Basic	31	0.13	(0.04)
Diluted		0.12	(0.04)
Earnings per equity share (for continuing and discontinued operations) (in ₹):			
Basic	31	1.58	0.11
Diluted		1.54	0.11
Basis of preparation, Measurement and Significant accounting policies,	2		

The accompanying notes 1 to 40 are an integral part of the consolidated financial statements

As per our report of even date

For V.P. Jain & Associates

Chartered Accountants

FRN: 015260N

Sarthak Madaan

Partner

Membership No.: 547131

For and on behalf of the Board of Directors

Ravi Manchanda

Managing Director

DIN: 00152760

Sushma Sagar

Director

DIN : 02582144

Place : New Delhi

Date : 14.08.2023

Anil Vanjani

Chief Executive Officer & CFO

Roopesh Kumar

Company Secretary



Consolidated Statement of Cash Flow

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities:		
Net profit for the year	732	59
Adjustments for:		
Rent from investment properties	(1,312)	(1,182)
Prior period adjustments	-	(1)
Employee stock option expenses	407	56
Depreciation	1,001	996
Interest expense	3,051	2,882
Interest income	(181)	(122)
(Profit)/Loss on sale of properties, plant and equipment (net)	14	(98)
Profit on sale of Investment in related parties	(200)	-
Fixed assets written off	1	-
Bad debts/ advances/ stock written off	895	1,554
Allowances for expected credit loss	15	26
Provision for obsolete/ damaged inventories	31	5
Liability/ provisions no longer required written back	(1,397)	(3,206)
Provision for gratuity & leave encashment & others	(84)	33
Operating profit before working capital changes	2,973	1,002
Changes in working capital		
Trade receivables	641	(844)
Other financial assets and other assets	(690)	454
Inventories	(707)	(222)
Trade payables	(299)	354
Financial liabilities, other liabilities and provisions	(693)	665
Cash generated from operations	1,225	1,409
Taxes (Paid)/ Received (Net of TDS)	-	-
Net cash generated from operating activities (A)	1,225	1,409
B. Cash flow from investing activities:		
Purchase of property, plant and equipment including capital work-in-progress	(380)	(481)
Purchase of investments property	(38)	-
Proceeds from sale of property, plant and equipment	19	114
Proceeds from sale of investments	205	-
Loan to Associate	(152)	(6)
Interest received	181	128
Income from investment properties	1,312	1,182
Release/(Addition) of cash (from)/for restrictive use	863	67
Net cash generated/(used) from investing activities (B)	2,010	1,004



Consolidated Statement of Cash Flow (Contd.)

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flow from financing activities:		
Net Loans (repaid) / taken	552	103
Payment of lease liabilities	(32)	(25)
Proceeds from issue of equity shares (ESOP)	16	-
Interest paid	(2,886)	(2,881)
Net cash used in financing activities (C)	(2,350)	(2,803)
Net increase/ (decrease) in cash & cash equivalents (A + B + C)	885	(390)
Cash and cash equivalents at the beginning of the year	213	603
Cash and cash equivalents at the end of the year (refer note 11)	1,098	213
Cash & cash equivalents comprises of		
Cash, cheques & drafts (in hand) and remittances in transit	10	9
Balance with scheduled banks	1,088	204
	1,098	213

Figures in brackets indicate cash outgo.

The accompanying notes 1 to 40 are an integral part of the consolidated financial statements.

As per our report of even date

For V.P. Jain & Associates
Chartered Accountants
FRN: 015260N

For and on behalf of the Board of Directors

Sarthak Madaan
Partner
Membership No.: 547131

Ravi Manchanda
Managing Director
DIN: 00152760

Sushma Sagar
Director
DIN : 02582144

Place : New Delhi
Date : 14.08.2023

Anil Vanjani
Chief Executive Officer & CFO

Roopesh Kumar
Company Secretary



Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

A. Equity share capital:

Issued, subscribed and fully paid up (Share of ₹ 10 each)	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Balance at the beginning of the year	4,61,48,112	46,14,81,120	4,61,48,112	46,14,81,120
Changes during the year [refer Note 14(v)]	1,67,516	16,75,160	-	-
Balance at the end of the year	4,63,15,628	46,31,56,280	4,61,48,112	46,14,81,120

B. Other equity

(All amounts in ₹ Lakhs)

Particulars	Reserve & Surplus					Total
	General Reserve	Capital Redemption	Securities Premium	Retained Earnings	Share option Outstanding account	
Balance as at April 01, 2021	2,136	580	3,697	(5,957)	-	456
Created during the year	-	-	-	-	56	56
Profit/(loss) for the year	-	-	-	48	-	48
Other comprehensive income for the year	-	-	-	-	-	-
Fair value changes on equity instruments	-	-	-	1	-	1
Re-measurement gain/(losses) on defined benefit plan	-	-	-	26	-	26
Total Comprehensive Income	-	-	-	75	-	75
Balance as at March 31, 2022	2,136	580	3,697	(5,882)	56	588
Created during the year [refer Note 14(v)]	-	-	-	-	408	408
Issue of equity shares on exercise of employee stock options [refer Note 14(v)]	-	-	113	-	(113)	-
Profit/(loss) for the year	-	-	-	714	-	714
Other comprehensive income for the year	-	-	-	-	-	-
Fair value changes on equity instruments	-	-	-	41	-	41
Re-measurement gain/(losses) on defined benefit plan	-	-	-	140	-	140
Total Comprehensive Income	-	-	-	895	-	895
Balance as at March 31, 2023	2,136	580	3,810	(4,987)	351	1,890

The accompanying notes 1 To 40 are an integral part of the consolidated financial statements.

As per our report of even date

For V.P. Jain & Associates

Chartered Accountants

FRN: 015260N

Sarthak Madaan

Partner

Membership No.: 547131

Place : New Delhi

Date : 14.08.2023

For and on behalf of the Board of Directors

Ravi Manchanda

Managing Director

DIN: 00152760

Anil Vanjani

Chief Executive Officer & CFO

Sushma Sagar

Director

DIN : 02582144

Roopesh Kumar

Company Secretary



Notes to Consolidated Financial Statements

as at March 31, 2023

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

The Consolidated Financial Statements comprise financial statements of Jagatjit Industries Limited ("the Holding Company"), its subsidiaries (collectively "the Group") and its associates. The Holding Company is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act, 1913. The registered office of the Holding Company is located at Jagatjit Nagar, Distt. Kapurthala, Punjab 144802, India. Its shares are listed on the BSE Limited. The Group is primarily engaged in the manufacture and sale of Liquor products and job work for food products. The Group has manufacturing plants at Kapurthala (Punjab) and Behror (Rajasthan) and has contractual manufacturing units (CMU) in Telangana and Pondicherry. The Holding Company has five subsidiaries and one associate which are domiciled in India and incorporated under the provisions of the Indian Companies Act, 1956. The activities of subsidiary companies are not significant.

2. Basis of preparation, Measurement and Significant Accounting Policies

2.1 Basis of preparation of consolidated financial statements:

- (i) The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as 'Ind AS') notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standard) Accounts Rules, 2015, as amended from time to time.
- (ii) The financial statements have been prepared on going concern basis following accrual system of accounting, applying consistent accounting policies for all the periods presented therein. The financial statements were approved for issue by the Board of Directors in accordance with the resolution passed on August 14, 2023.
- (iii) Transactions in currencies other than the Group's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.
- (iv) At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(v) Basis of consolidation

The Consolidated Financial Statements comprises the financial statement of the Holding Company, its five subsidiaries and one associate as disclosed in Note No 39(iii) & (iv). The Financial Statements of the subsidiaries and associates used in the consolidation are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2023.

(vi) Principles of consolidation

- The Financial Statements of the Holding Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenditure after eliminating intra group balances and intra group transactions.
- The Financial Statements of the Holding Company, its subsidiaries and associates have been consolidated using uniform accounting policies for like transactions and other events.
- The Consolidated Financial Statements include the share of profit/loss of the associate company (to the extent of value of investment) which has been accounted for using equity method as per Indian Accounting Standard 110 - "Consolidated Financial Statements". Accordingly, the share of profit/loss from the associate company has been added/ deducted to the cost of Investments.
- Goodwill represents the difference between the Holding's share in net worth and cost of acquisition of subsidiary at each stage of acquisition of investment. Goodwill arising on consolidation is not amortized but is tested for impairment on an annual basis. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.
- Non-controlling interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiaries attributable to non-controlling interest is identified and adjusted against the profit/loss after tax of the Group in order to arrive at the income attributable to shareholders of the Holding Company.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

2.2 Basis of measurement:

The Ind AS Consolidated Financial Statements are prepared under the Historical cost convention except for certain class of financial assets/ financial liabilities, share based payments and defined benefit liabilities comprising of Gratuity and compensated absences which have been measured at fair value/ Actuarial valuation as required by relevant Ind ASs.

2.3 Significant accounting policy:

The significant accounting policies used in preparation of the consolidated financial statements are as follows:

(a) Current versus non-current classification:

All assets and liabilities have been classified as current or non-current considering the normal operating cycle of 12 months, paragraph 66 and 69 of Ind AS 1 and other criteria as per Division II of Schedule III of Companies Act, 2013.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(b) Property, plant and equipment

Property, plant and equipment is stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any.

The initial cost of acquisition, construction of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

The Group has been granted leasehold lands for the period of 99 years which has been treated as part of properties plant and equipment due to duration of lease period and availability of transfer of leasehold rights. In absence of absolute certainty regarding vesting of ownership with the Group at the determination of lease, depreciation is being charged on the revalued figure of Land on straight line basis over the period of lease.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul

expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

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

When an item of property, plant and equipment is scrapped or otherwise disposed off, the gross carrying amount and related accumulated depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit & Loss.

The Group has not revalued any of its property, plant and equipment during the year.

(c) Capital work-in-progress:

Capital work-in-progress is stated at cost, if any. Assets in the course of construction are capitalized in capital work-in-progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Cost includes financing cost relating to borrowed funds attributable to construction. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets"

(d) Depreciation

The Group depreciates property, plant and equipment over the useful life as prescribed in schedule II of the Companies Act, 2013 on the straight-line method from the date the assets are ready for intended use. Assets in the course of construction and freehold land are not depreciated. In respect of following assets,



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

different useful life is taken than those prescribed in schedule II:

Particulars	Depreciation
Boiler No-5	Over its useful life as technically assessed (35 Years)
Turbine 7MW	Over its useful life as technically assessed (35 Years)
Evaporator Spent Wash	Over its useful life as technically assessed (35 Years)
MMF Plant (III shift)	Over its useful life as technically assessed (15 Years)

(e) Leased assets

The Group's leased asset class consist of leases for land and buildings for the purpose of having offices/ various branches. The Group assesses whether a contract contains a 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 Group assesses whether:

- (i) The contract involves the use of an identified asset.
- (ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) The Group has the right to direct the use of the assets.

As a lessee

Right of Use Assets

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Short term leases and leases of low value of assets

The Group applies the short-term lease recognition exemption to its short-term leases or leases of low

value. The Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group incurred ₹ 19 Lakhs for the year ended March 31, 2023 (March 31, 2022: ₹ 25 Lakhs) towards expenses relating to short-term leases and leases of low-value assets.

Determination of lease term

As a lessee, the Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities initially recognised is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Impairment of Right of Use Assets

ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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 flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For lease commitments and lease liabilities : Refer note 16A, 16B.

The Group has not revalued any of its right-of-use assets

(f) Intangible assets:

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either definite or indefinite. Currently, the Group does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication to the same effect. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Generally intangible assets are amortised @ 10% per annum on straight line basis.

(g) Fair value measurement:

The Group measures certain financial instruments, defined benefit liabilities and equity settled employee share-based payment plan at fair value at each reporting date. Fair value is the price that would be received to sell an assets or paid to transfer a liabilities in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i. in the principal market for the asset or liability, or
- ii. in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best

interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows ; level I - III

Level I input

Level I input are quoted price in active market for identical assets or liabilities that the entity can access at the measurement date, A quoted market in an active market provided the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exception. If an entity hold a position in a single assets or liabilities and the assets or liabilities is traded in an active market, the fair value of assets or liabilities held by the entity, even if the market normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level II input

Level II input are input other than quoted market prices included within level I that are observable for the assets or liabilities either directly or indirectly.

Level II inputs include:

- quoted price for similarly assets or liabilities in active market.
- quoted price for identical or similar assets or liabilities in market that are not active.
- input other than quoted prices that are observable for the assets or liabilities, for example -interest rate and yield curve observable at commonly quoted interval.
- implied volatilis.
- credit spreads.
- input that are derived principally from or corroborated market data correlation or other means ('market corroborated inputs').



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

Level III input

Level III inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(h) Functional and presentation currency:

These Ind AS Financial Statements are prepared in Indian Rupee which is the Group's functional currency. All financial information presented in Rupees has been rounded to the nearest lakhs. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as "0" in the relevant notes to these financial statements.

(i) Impairment of non-financial assets:

At the end of each reporting period, the Group assesses whether there is any indication that an assets or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of impairment loss (if any). If it is not possible to estimate the recoverable amount of an individual asset, the entity determines the recoverable amount of the Cash Generated Unit (CGU) to which the asset belongs.

It is not possible to estimate the recoverable amount of the individual asset if:

- The asset's Value in use (VIU) cannot be estimated to be close to its fair value less cost to sell (FLVCS).
- The asset does not generate cash inflows that are largely independent of those from other assets.

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing the value in use, the estimated future cash flow are discounted at their present value using the

appropriate discount rate that reflects current market assessment of time value of money and the risks specific to the assets for which the estimates of future cash flow have not been adjusted.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If the recoverable amount of an assets (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of Profit & Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized earlier in the statement of Profit & Loss.

No Impairment is identified in FY 2022-23 and in previous FY 2021-22

(j) Assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. As at each balance sheet date, the management reviews the appropriateness of such classification. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment once classified as held for sale are not depreciated.

(k) Cash and cash equivalent:

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

Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks, on hand and short-term deposits, as defined above.

(I) 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 financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and Loss.

Financial assets

(i) Initial recognition and measurement:

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business

model with the objective of both holding to collect contractual cash flows and selling.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Trade receivables are initially recognised at transaction price as they do not contain a significant financing component. This implies that the effective interest rate for these receivables is zero.

(ii) Subsequent measurement of financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets and are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

(iii) Derecognition of financial assets:

The Group derecognizes a financial asset when

- the contractual rights to receive the cash flows from the asset expire, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - a) It transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or
 - b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and loss on disposal of that financial asset.

(iv) **Impairment of financial assets:**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope. The Group follows 'simplified approach' for recognition of loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

(i) **Initial recognition and measurement**

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts/cash credits.

(ii) **Subsequent measurement of financial liabilities:**

All the financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit and loss. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the consolidated statement of profit and loss.

(iii) **Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such on exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

No reclassification of financial assets and liabilities were made during the year.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(m) Provisions

Provisions are recognized when the Group 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 Group expects some or all of a provision to be reimbursed, 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 the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to Statement of Profit and Loss. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

(n) Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by-products which are valued at net realisable value. Costs comprises as follow:

(i) Raw materials, packing materials and store & spares etc:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The aforesaid items are valued at net realisable value if the finished products in which they are to be incorporated are expected to be sold at a loss.

(ii) Finished goods and work in progress:

Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing

costs. Cost is determined on weighted average basis. In pursuance of IND AS-2 indirect production overheads (estimated by the Management) have been allocated for ascertainment of cost.

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

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

(o) Employee benefits:

Group follows IND AS-19 as detailed below:-

(i) Short term benefits including salaries and performance incentives are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.

(ii) The Group provides bonus to eligible employees as per Bonus Act 2016 and accordingly liability is provided on actual cost at the end of the year.

(iii) Defined contribution plan:

Provident fund

The eligible employees of the Group are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both employees and the Group make monthly contributions at a specified percentage of the covered employee's salary. The contributions as specified under the law are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension Scheme.

Gratuity

The Group has an obligation towards gratuity a defined benefit retirement plan covering all employees. The plan provides for a lumpsum payment to employees at retirement/ determination of service on the basis of 15 days terminal salary for each completed year of service subject to maximum amount of ₹ 20 Lakhs.

Group's liability towards gratuity and compensated absences is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

of the changes to the plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognized in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Past service cost is recognized in statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

(iv) **Compensated absences**

Entitlements to annual leave are recognised when they accrue to employees. Leave entitlements may be availed while in service or encashed at the time of retirement/termination of employment, subject to a restriction on the maximum number of accumulations.

(p) **Revenue recognition**

Sale of products/services

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance, depending on terms with customers.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as Goods and Services Tax, Value Added Tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly

probable a significant reversal will not occur.

Sales include goods sold by contract manufacturers unit (CMU) on behalf of the Group, since risk and reward belong to the Group in accordance with the terms of the relevant contract manufacturing agreements, the related cost of sales is also recognized by the Group, as and when incurred by the CMU.

Sales through State Corporations: Revenue is recognized at the time of dispatch/delivery to the Corporation as significant risk & rewards associated with ownership are transferred to the Corporation along with the transfer of the property in goods. The Group has complete physical control over the goods and the liquor manufacturer does not have any right to take back or have lien on such goods.

Specific recognition criteria described below must also be met before revenue is recognized.

- (a) Interest Income is recorded on time proportion basis using the effective rate of Interest (EIR).
- (b) Rent: Rental Income is accounted on accrual basis.
- (c) Interest on Income Tax refunds, Insurance claims, Export benefits (Duty Drawback etc) and other refunds are accounted for as and when amounts receivable can be reasonably determined as being acceptable to authorities.
- (d) Royalty income is accounted on an accrual basis in accordance with terms specified in the relevant agreements.
- (e) Income from franchisees business: The Group has entered into supply agreement with few parties. Under the agreement, parties manufacture at their own cost under supervision of the Group and sell the same to retailers (Licensees) on behalf of the Group. Revenue is recognised net of cost of goods sold.

(q) **Manufacturing policy**

The main raw material of the Group is broken rice which is used to produce ENA. ENA is sold in market as such along with internal usage in Indian Made Foreign Liquor (IMFL) and Country Liquor (CL). Manufacturing policy of the Indian alcoholic spirit market is highly regulated by the States who control the alcoholic beverage industry. The Indian liquor industry has been experiencing challenges such as state policies with respect to import & export from one state to the other, production constraints with respect to the pack sizes and type of packaging, price control and increasing state levies & duties.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(r) Taxation:

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in Other Comprehensive Income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. 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 recognised 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 liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. The Group does not recognise deferred tax liabilities on revaluation portion of land and building.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that 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 utilized.

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 other comprehensive income 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.

Goods and Service Tax

GST paid on acquisition of assets or on incurring expenses. Expenses and assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. The receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset in the Balance Sheet if there is convincing evidence that there would be sufficient taxable profits in the specified period and the Group will have to pay income tax under the normal provisions of the Act.

(s) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying 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 until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(t) Foreign currency transactions:

Foreign Currency Transactions involving export sales import purchases are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the customs rate on the date of dispatch of goods/ arrival of import consignments at custom port. The difference between the rates recorded and the rates on the date of actual realization/ payment is transferred to difference in exchange fluctuation account. At the year end, the balances are converted at the year end rate and difference if any between the book balance and converted amount are transferred to the exchange fluctuation account. The premium or discount arising at the inception of a forward exchange contract is amortized as expenses / income over the life of the contract. Any profit or loss arising on cancellation or renewal of such a forward contract is recognized as income / expenses for the period. Non-monetary items that are measured in historical cost in a foreign currency are not retranslated.

(u) Earning per share:

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(v) Segment Reporting:

(i) Operating segment:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Operating segments of the Group are reported in a manner consistent

with the internal reporting provided to the chief operating decision maker. The Group is operating under three segment i.e., "Liquor", "Food" and "Others" as per IND AS-108 "Segment Reporting" issued under section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) rules 2015.

(ii) Segment revenue and expenses:

Segment revenue and expenses are directly attributable to segment. It does not include interest income on inter-corporate deposits, interest expense and income tax.

Revenue and expenses which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses".

(w) Cash Flow Statement:

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

(x) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Therefore, in order to determine the amount to be recognised as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management. In case of provision for litigations, the judgements involved are with respect to the potential exposure of each litigation and the likelihood and/or timing of cash outflows from the Group and requires interpretation of laws and past legal rulings. The Group does not recognize a contingent liability but discloses its existence in the consolidated Ind AS financial statements.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(y) Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date is recognised as 'employee benefit expenses' with a corresponding increase in other equity (Share Based Payment outstanding account) over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer. When the options are exercised, the Group issues fresh equity shares and when the options are lapsed, the Group transfers the balance into securities premium account i.e within other equity.

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

(z) Use of key accounting estimates and judgements:

The preparation of financial statements requires management to make estimates, judgements and assumptions in the application of accounting policies that affect the reported financial position and the reported financial performance. Difference between the actual results and estimates are recognised in the period in which it is known/materialised. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgments in

applying accounting policies that have the most significant effect on the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- (i) Property, Plant and Equipments – Note 3A
- (ii) Measurement of defined benefit obligation – Note 33
- (iii) Measurement and likelihood of occurrence of provisions and contingencies-Note 18 & 32
- (iv) Measurement of Right of Use Asset and Lease liabilities – Note 3D

2.4 Recent Accounting Developments:

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Group does not expect these amendments to have any significant impact on its financial statements.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

3A. PROPERTY, PLANT AND EQUIPMENT

(All amounts in ₹ Lakhs)

Particulars	Land Free Hold	Land Lease Hold	Building	Furniture & Fixtures	Plant & Equipment	Office Equipment	Vehicles	Total
(I) Gross carrying amount								
As at March 31, 2021	23,789	844	6,126	265	9,688	228	322	41,262
Additions	-	-	10	14	556	60	1	641
Disposals	-	-	-	-	-	[0]	[108]	[108]
As at March 31, 2022	23,789	844	6,136	279	10,244	288	215	41,795
Additions	-	-	47	0	208	19	47	321
Disposals	-	-	-	[3]	[56]	[6]	[10]	[75]
As at March 31, 2023	23,789	844	6,183	276	10,396	301	252	42,041
(II) Accumulated depreciation								
As at March 31, 2021	-	53	1,313	132	2,246	147	154	4,045
Charge for the year	-	11	256	14	589	26	25	921
Deductions	-	-	-	-	-	[0]	[92]	[92]
As at March 31, 2022	-	64	1,569	146	2,835	173	87	4,874
Charge for the year	-	11	252	12	596	31	26	928
Deductions	-	-	-	[3]	[25]	[6]	[8]	[42]
As at March 31, 2023	-	75	1,821	155	3,406	198	105	5,760
(III) Net Carrying amount (I) - (II)								
As at March 31, 2022	23,789	780	4,567	133	7,409	115	128	36,921
As at March 31, 2023	23,789	769	4,362	121	6,990	103	147	36,281

3B. OTHER INTANGIBLE ASSETS

(All amounts in ₹ Lakhs)

Particulars	Patent Trade Mark	Goodwill	Total
(i) Gross carrying amounts			
As at March 31, 2022	10	1,249	1,259
As at March 31, 2023	10	1,249	1,259
(II) Accumulated depreciation			
As at March 31, 2021	10	1,249	1,259
Amortization for the year	-	-	-
As at March 31, 2022	10	1,249	1,259
Amortization for the year	-	-	-
As at March 31, 2023	10	1,249	1,259
(III) Net Carrying amount (I) - (II)			
As at March 31, 2022	-	-	-
As at March 31, 2023	-	-	-



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

3C. CAPITAL WORK IN PROGRESS

As at March 31, 2022	16
As at March 31, 2023	74

(3C.1) Capital work-in-progress ageing schedule

Capital work in progress	Amount in CWIP for a period of				
	<1 yr	1-2 yr	2-3 yrs	>3 yrs	Total
Projects in progress	74	-	-	-	74
Projects temporarily suspended	-	-	-	-	-

(3C.2) There are no projects overdue as on date or has exceeded its cost compared to its original plan.

3D. RIGHT-OF-USE ASSETS

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	44	74
(In respect of building taken on lease)		
Addition during the year	-	-
Deletion during the year	-	-
Amortisation during the year	29	30
Balance at the end of the year	15	44

Footnote(s) :-

- (i) For details of property, plant and equipment charged as security against borrowings. Refer Note 15B(ii) & (iii).
- (ii) Title deeds of all freehold immovable properties and lease deed of lease hold properties are in the name of the Group, except property having carrying value of ₹ 39 Lakhs in respect of which the execution of flat buyers agreement with the builder is under process. However the Group is in effective physical possession of the property since inception.
- (iii) Estimated amount of capital contracts remaining to be executed is ₹ 4 Lakhs (Previous year : ₹ 2 Lakhs).
- (iv) For leasehold land refer note 2.3(b) regarding Significant Accounting Policy.

4. INVESTMENT PROPERTIES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying amount at beginning of the year	2,659	2,649
Additions during the year	38	10
Deletion during the year	(15)	-
Gross carrying amount at end of the year	2,682	2,659
Accumulated depreciation at beginning of the year	941	896
Deletion during the year	(14)	-
Depreciation charged during the year	44	45
Accumulated depreciation at end of the year	971	941
Net carrying amount at end of the year	1,711	1,718

Footnote(s) :-

- (i) Investment properties include a sum of ₹ 94 Lakhs (Previous year : ₹ 60 Lakhs) on account of allied plant & machinery installed in the properties.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(ii) Amounts recognised in profit and loss for investment properties

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental income (including reimbursement of maintenance expenses)	1,682	1,463
Direct operating expenses from property that generated rental income	377	249
Direct operating expenses from property that did not generate rental income	32	32
Profit from investment properties before depreciation	1,273	1,182
Depreciation for the year	44	45
Profit from investment properties	1,229	1,137

(iii) Contingent rents recognised as income - Nil.

(iv) Group has entered into lease agreements on different dates for a period of maximum 9 years. The lease(s) can be terminated at the option of lessor/lessee with notice period as defined in the agreement.

(v) Fair value

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment properties	21,518	21,482

(vi) Estimation of fair value

The Group obtained independent valuations for its investment properties on April 01, 2016. The best evidence of fair value is current prices in an active market for similar properties.

All resulting fair value estimates for investment properties are as per level 2. The Group is of view that there is no significant change in fair value as on March 31, 2023. However, the fresh valuation will be taken in the subsequent financial year.

(vii) For details of investment property charged as security of borrowings refer note 15 (i)(a)&(b).

(viii) Title deeds of investment properties comprising of Flat Buyer's agreement and free hold land are held in the name of the Group.

5. NON-CURRENT INVESTMENTS

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Equity instruments (fully paid-up)		
(i) Quoted		
Milkfood Limited		
Nil (March 31, 2022 : 1350) of ₹ 10 each fully paid	-	4
Punjab National Bank		
4,965 Shares (March 31, 2022: 4965) of ₹ 2 each fully paid	2	2
Indage Vintners Limited		
100 Shares (March 31, 2022: 100) of ₹ 10 each fully paid	0	0
McDowell Holdings Limited		
6 Shares (March 31, 2022: 6) of ₹ 10 each fully paid	0	0
Nestle India Limited		
4 Shares (March 31, 2022: 4) of ₹ 10 each fully paid	0	0
Radico Khaitan Limited		
10 Shares (March 31, 2022: 10) of ₹ 2 each fully paid	0	0
Hindustan Unilever Ltd		
17 Shares (March 31, 2022: 17) of ₹ 1 each fully paid	0	0
Anheuser Busch India Inbev Limited (SABMiller India Limited)		
103 Shares (March 31, 2022: 103) of ₹ 10 each fully paid	0	0
Taurus The Starshare		
2500 Shares (March 31, 2022: 2500) of ₹ 10 each	0	1



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
United Breweries Limited		
5 Shares (March 31, 2022: 5) of ₹ 1 each fully paid	0	0
United Breweries (Holdings) Limited		
3 Shares (March 31, 2022: 3) of ₹ 10 each fully paid	0	0
United Spirits Limited		
40 Shares (March 31, 2022: 40) of ₹ 2 each fully paid	0	0
(ii) Unquoted		
In associates		
Hyderabad Distilleries and Wineries Pvt Ltd	2	3
2040 Shares (March 31, 2022: 3150) of ₹ 100 each fully paid up		
Add : Group Share of Profit upto March 31, 2023	472	452
In others		
Mohan Meakin Ltd.		
100 (March 31, 2022: 100) shares of ₹ 5 each fully paid	0	0
Chic Interiors Pvt. Ltd.		
1,752 (March 31, 2022: 1,752) shares of ₹ 10 each fully paid	0	0
LPJ Holdings Pvt. Ltd.		
600 Shares (March 31, 2022: 600) of ₹ 10 each fully paid	81	81
(B) Investment in Preference Shares (fully paid-up)		
Qube Corporation Pvt. Ltd.		
1,80,000 (March 31, 2022: 1,80,000)		
Cumulative Redeemable Preference Shares of ₹ 10 each.	18	18
(C) Investment in government securities		
Quoted		
6 year National Saving Certificates (lodged with Government Authorities)	2	2
	577	563
Less : Provisions for impairment in the value of investment in Govt Securities	1	1
Total	576	562

Footnote(s):

- (i) Aggregate amount of cost of quoted Investments is ₹ 4 Lakhs (Previous year : ₹ 5 Lakhs).
- (ii) Aggregate amount of cost of unquoted investments ₹ 101 Lakhs (Previous year : ₹ 102 Lakhs).
- (iii) For mode of valuation refer Note 36.
- (iv) No impairment was identified during the FY 2022-23 (FY 2021-22: ₹ Nil).



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

6. LOANS

(A) Non-current		(All amounts in ₹ Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Unsecured, considered good :			
Loan to related parties <i>[refer footnote-(i)]</i>	10	13	
Loan to employees	1	27	
Unsecured- Credit impaired			
Loan to employees/ others <i>[refer footnote-(iii)]</i>	399	436	
Less: Allowance for bad and doubtful loans	(198)	(235)	
Total	212	241	
(B) Current		(All amounts in ₹ Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Unsecured, considered good :			
Loan to related parties <i>[refer footnote-(i)]</i>	158	-	
(Associate)			
Total	158	-	

Footnote(s) :

- (i) From the above loan (45% of total loan), a sum of ₹ 38 Lakhs (10%) has been subsequently realised and for the balance loan the Company is making efforts to recover.
- (ii) (a) Includes ₹ 197 Lakhs (Previous year : ₹ 234 Lakhs) recoverable from a senior employee which has been provided as a matter of abundant caution in earlier year. The Group has recovered ₹ 37 Lakhs during the year.
(b) It also includes a sum of ₹ 201 Lakhs (Previous year : ₹ 201 Lakhs) due from an Ex-employee and Management is hopeful to recover this loan in the subsequent period.
- (iii) No Loans are due by Directors or other officers of the Group or any of them either severally or jointly with any other person or by firms or private companies in which any director is a partner, director or member.
- (iv) In line with circular no. 4/2015 issued by the Ministry of Corporate Affairs dated 10.03.2015, loans and advances given to employees as per Group's policy are not covered for the purpose of disclosures under section 186 (4) of the Companies Act, 2013.

7. OTHER FINANCIAL ASSETS

(A) Non-current:		(All amounts in ₹ Lakhs)	
Particulars	As at March 31, 2023	As at March 31, 2022	
Considered good :			
Security deposits <i>[refer footnote-(i)]</i>	385	205	
Fixed deposits with bank <i>[refer footnote-(ii)]</i>	706	1,532	
Margin money accounts <i>[refer footnote-(iii)]</i>	105	105	
Others <i>[refer footnote-(iv)(a)]</i>	77	88	
Considered doubtful:			
Security deposits	220	285	
Others	69	7	
Less: Allowance for doubtful deposits & loans	(289)	(292)	
Total	1,273	1,930	



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(B) Current:		(All amounts in ₹ Lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Advances to employees	65	59
Security deposits	4	-
Others (refer footnote-iv(b))	452	39
Total	521	98

Footnote(s):

- (i) Includes an amount of ₹ 152 Lakhs for participating in an event which group could not proceed due to statutory reasons. Group is pursuing the same with the organiser for the refund.
- (ii) Includes fixed deposit of ₹ 650 Lakhs (Previous year : ₹ 1438 Lakhs) with IndusInd Bank for security against borrowings. (Also refer note no 15(i)(c)).
- (iii) Towards bank guarantees against contractual/ statutory obligations.
- (iv) (a) Includes ₹ 16 Lakhs (Previous year : ₹ 16 Lakhs) security deposit against loan taken from related party (refer note 15), ₹ 56 Lakhs (Previous year : ₹ 50 Lakhs) as advance to other party including interest for which management is hopeful to recover the amount as mentioned in note 10(i).
- (b) Includes Settlement of insurance claims of earlier years of ₹ 237 Lakhs (including interest of ₹ 106 Lakhs) pending realisation, settlement of other claims (mesne) profits of ₹ 45 Lakhs subsequently realised and ₹ 139 Lakhs unbilled revenue, out of which ₹ 121 Lakhs has been realised subsequently.

8. OTHER ASSETS

(A) Non-current		(All amounts in ₹ Lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured - considered good		
Balance with revenue authorities (refer footnote-(i))	12	15
Advances to suppliers (refer footnote-(ii))	25	89
Prepaid expenses	30	5
Unsecured - considered doubtful		
Advances to suppliers	1,791	1,851
Others (refer footnote-(iii))	237	240
Less: Allowance for doubtful advances	(2,028)	(2,091)
Total	67	109

(B) Current		(All amounts in ₹ Lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balance with excise/revenue authorities	35	58
Income tax refund for earlier years	-	272
TDS Recoverable	109	59
Advances to suppliers (Unsecured considered good)	140	270
Prepaid expenses	796	254
Total	1,080	913

Footnote(s):

- (i) Deposit with authorities against contingent liability as a precondition for filing appeal.
- (ii) Pertaining to earlier years considered good for recovery by the management.
- (iii) Includes ₹ 33 Lakhs (Previous year : ₹ 37 Lakhs) given in earlier years to an ex-employee and provided for, interest free advance of ₹ 170 Lakhs (Previous year : ₹ 170 Lakhs) given in the earlier years and provided for. The Group is making efforts to recover the advance and is hopeful that the same will be received in the subsequent period.
- (iv) The Group has not granted any advance to any director or to a firm, a Group in which any director is a partner or director or member.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

9. INVENTORIES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials [includes in-transit of ₹ 784 Lakhs (Previous Year : ₹ 635 Lakhs)]	1,904	1,189
Packaging materials [refer footnote - (i)]	630	617
Work-in-progress	423	218
Finished goods	828	808
Stock-in-trade	33	62
Stores and spare parts [refer footnote - (i)]	615	839
Total	4,433	3,733

Footnote(s):

- (i) Includes non-moving/ slow moving packing material and store items of Rs 60 Lakhs against which no provision is made as the management hopes to utilise the same in the subsequent financial year. Packaging materials/raw materials are net of provision for obsolete inventory.
- (ii) The mode of valuation of inventories has been described in Note 2.3(n).

10. TRADE RECEIVABLES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Unsecured, considered good	2,501	3,202
Receivable which have significant increase in credit risk	198	181
Receivable credit impaired [refer footnote-(i)]	3,560	4,372
Less: Allowance for expected credit loss		
Receivable which have significant increase in credit risk	51	66
Receivable credit impaired	3,511	4,372
Net trade receivables		
Unsecured, considered good	2,501	3,202
Receivable which have significant increase in credit risk	147	115
Receivable credit impaired	49	-
Current	2,501	3,202
Non-current	196	115

Ageing of Trade receivables from due date of payment:

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023.:						
Undisputed trade receivable - considered good	2,145	353	-	3	-	2,501
Undisputed trade receivable - which have significant increase in credit risk	-	-	145	21	32	198
Undisputed trade receivable - credit impaired	-	-	12	22	2,772	2,806
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	15	739	754
	2,145	353	157	61	3,543	6,259
Allowances for expected credit loss	-	-	12	39	3,511	3,562
	2,145	353	145	22	32	2,697



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022 :						
Undisputed trade receivable - considered good	3,100	102	-	-	-	3,202
Undisputed trade receivable - which have significant increase in credit risk	-	-	106	75	-	181
Undisputed trade receivable - credit impaired	-	-	-	-	3,530	3,530
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	842	842
	3,100	102	106	75	4,372	7,755
Less: Allowances for expected credit loss	-	-	61	5	4,372	4,438
	3,100	102	45	70	-	3,317

Footnote(s):

- (i) Includes ₹ 223 Lakhs (Previous year : ₹ 223 Lakhs) due from a party from earlier years in respect of which the Group is hopeful to recover the substantial amount by way of settlement through acquisition of immovable property by creation of equitable mortgage in the subsequent period. As a matter of abundant caution the amount has been provided in the accounts in the earlier years.
- (ii) The Group has obtained confirmations from the trade receivables for substantial value. The confirmation requests sent by the management in respect of amount due from state owned Beverage Corporations are awaited. The adjustment entries if any will be made in the subsequent year on receipt of the confirmation.
- (iii) No debts are due from directors or other officers of the Group or any of them either severally or jointly with any other person or from firms or private companies, in which any director is a partner or a director or a member.
- (iv) Allowance for expected credit loss is made on the simplified approach as followed in earlier years.
- (v) Refer Note 38(a) and 38(b) in respect of market risk and credit risk.

11. CASH AND CASH EQUIVALENTS

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	10	9
Bank balance on current accounts	233	165
Term deposits	855	39
(With original maturity less than 3 months, under lien with Indusind Bank, refer note 15(i)(c))		
Total	1,098	213

12. ASSETS CLASSIFIED AS HELD FOR SALE

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Property plant & equipment held for sale	38	38
(Valued at the lower of the fair value less cost of disposal & carrying amount)		
Total	38	38

Footnote(s):

- (i) During the financial year 2017-18, the Group entered into an agreement of sale for development and disposal thereafter a part of leasehold land of Glass division at Sahibabad due to discontinuity of operations. In pursuance of the said agreement, the Group has received a sum of ₹ 4627 Lakhs (grouped under other current liabilities) towards part performance of the agreement. Recognition of revenue has been deferred, pending approval from the lessor (UPSIDC). Tripartite MOU for development of entire property in pursuance of Board Resolution dated 14.08.2021 has been cancelled on 08.08.2022 without any rights and obligations. The Group is hopeful of receiving the approval from the authority in the next financial year.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

13. SHARE CAPITAL

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
75,000,000 (March 31, 2022: 75,000,000) equity shares of ₹ 10/- each	7,500	7,500
Issued, subscribed and fully paid up		
46,315,628 (March 31, 2022: 46,148,112) equity shares of ₹ 10/- each	4,631	4,615
	4,631	4,615

Footnote(s):

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	Numbers	Amounts (₹)
Issued, subscribed and fully paid up		
As at April 1, 2021	4,61,48,112	46,14,81,120
Increase/(Decrease) during the year	-	-
As at March 31, 2022	4,61,48,112	46,14,81,120
Increase/(Decrease) during the year [refer note 14(v)]	1,67,516	16,75,160
As at March 31, 2023	4,63,15,628	46,31,56,280

(ii) Terms/ rights attached to equity shares

- 1,86,05,628 shares referred to as equity shares are having face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share and dividend, if declared.
- 2,52,10,000 underlying Equity Shares of ₹ 10/- each fully paid up ranking pari-passu with existing shares were issued in the name of the Depository, The Bank of New York, representing the Global Depository Receipts (GDR) issue. GDRs do not carry any voting rights until they are converted into equity shares.
- 25,00,000 Equity Shares of ₹ 10/- each, fully paid up at a premium of ₹ 20/- per share, as a special series with differential rights to dividend and voting, were issued during the financial year 2004-05. These shares have no right to the dividend and each share carry twenty voting rights as compared to one voting right per existing equity share and were under the lock-in period of three years from the date of allotment. These shares are held by the promoters and promoter group companies.
- The holders of all the above Equity Shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts in event of liquidation of the Holding Company in the proportion to their shareholdings.

(iii) Details of shareholders holding more than 5% Equity Shares in the Company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Numbers	Percentage	Numbers	Percentage
(a) The Bank of New York [the Depository, refer footnote (ii)(b)]	2,52,10,000	54.43	2,52,10,000	54.63
(b) LPJ Holdings Pvt. Ltd. [refer footnote-(ii)(a)]	61,76,572	13.34	74,18,648	16.08
(c) LPJ Holdings Pvt. Ltd. [refer footnote-(ii)(c)]	19,26,612	4.16	25,00,000	5.42

(iv) Details of shares held by promoter in the Holding Company

Name of the promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	Numbers of shares held	Percentage of shares held	Numbers of shares held	Percentage of shares held	
Mr. Karamjit Singh Jaiswal	5,31,880	1.15%	5,31,880	1.15%	-
Mr. Karamjit Singh Jaiswal (Special Series Shares)	3,51,485	0.76%	-	0.00%	0.76%
Ms. Roshini Sanah Jaiswal	74,816	0.16%	74,816	0.16%	0.00%
Mrs. Shakun Jaiswal	100	0.00%	100	0.00%	0.00%
Mrs. Shakun Jaiswal (Special Series Shares)	1,30,531	0.28%	-	0.00%	0.28%



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(Contd.)

Name of the promoter	As at March 31, 2023		As at March 31, 2022		% change during the year
	Numbers of shares held	Percentage of shares held	Numbers of shares held	Percentage of shares held	
LPJ Holdings Pvt. Ltd.	61,76,572	13.34%	74,18,648	16.08%	-2.74%
LPJ Holdings Pvt. Ltd. (Special Series Shares)	19,26,612	4.16%	25,00,000	5.42%	-1.26%
K. S. J. Finance & Holdings Pvt. Ltd.	11,92,256	2.57%	11,92,256	2.58%	-0.01%
K. S. J. Finance & Holdings Pvt. Ltd. (Special Series Shares)	91,372	0.20%	-	0.00%	0.20%
R. J. Shareholdings Pvt. Ltd.	5,76,000	1.24%	5,76,000	1.25%	-0.01%
S. J. Finance And Holdings Pvt. Ltd.	11,30,304	2.44%	11,30,304	2.45%	-0.01%
Quick Return Investment Company Ltd.	1,14,904	0.25%	1,14,904	0.25%	0.00%
Double Durable Investments Ltd.	1,11,657	0.24%	1,11,657	0.24%	0.00%
Fast Buck Investments & Trading Pvt. Ltd.	9,88,900	2.14%	9,88,900	2.14%	0.00%
Snowwhite Holdings Pvt. Ltd.	2,100	0.00%	2,100	0.00%	0.00%
Orissa Holdings Ltd. (OCB)	10,03,800	2.17%	10,03,800	2.18%	-0.01%
County Investment Pvt. Ltd.	4,03,120	0.87%	-	0.00%	0.87%
Hyderabad Distilleries and Wineries Pvt. Ltd.	6,42,570	1.39%	-	0.00%	1.39%
Palm Beach Investments Pvt. Ltd.	1,96,386	0.42%	-	0.00%	0.42%

14. OTHER EQUITY

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital Redemption Reserve	580	580
(b) Securities Premium (refer footnote-(ii))	3,810	3,697
(c) General Reserve	2,136	2,136
(d) Share Option Outstanding Account (refer footnote-(v))	351	56
(e) Retained Earning (refer footnote-(iv))	(4,987)	(5,882)
Total	1,890	588

Footnote(s):

(i) Capital Redemption Reserve:

Capital Redemption Reserve was created pursuant to buy back of equity shares in earlier years out of free reserves. The Capital Redemption Reserve amount may be applied by the Group, in paying up unissued share of the Holding Company to be issued to shareholders of the Holding Company as fully paid bonus shares.

(ii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium. Where the Holding company issues shares at premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium account". Additions during the year represents premium received on allotment of 1,67,516 equity shares under ESOP. The Holding Company may issue fully paid-up bonus shares to its members out of balance lying in the Securities Premium Account and the Holding Company can also use this reserve for buy-back of shares.

(iii) General Reserve

General reserve is created out of profit earned by the Group by way of transfer from surplus in the statement of profit & loss. There are no restrictions on utilisation of the reserve except in case of declaration of dividend out of Reserves as prescribed under The Companies (Declaration and Payment of Dividend) Rules, 2014 read with Section 123 of The Companies Act 2013.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(iv) Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It also Includes revaluation reserve of ₹ 24,490 Lakhs (Previous year : ₹ 24,501 Lakhs) related to land situated at Hamira and Behror.

(v) Share Option Outstanding Account

The fair value of the equity-settled share based payment transactions is recognised in consolidated statement of profit and loss with corresponding credit to Employee Stock Options Outstanding Account.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers of shares	Fair value (₹ in Lakhs)	Numbers of shares	Fair value (₹ in Lakhs)
Balance at the beginning of the year	8,37,584	56	-	-
Add: * Grant of options during the year recognised in employee benefits expense	4,83,000	135	8,37,584	56
Less: Issue of equity shares on exercise of employee stock options	1,67,516	113	-	-
Add: recognised as an employee benefits expense for earlier year options	-	273	-	-
Balance at the end of the year	11,53,068	351	8,37,584	56

* Fair value of ₹ 282 Lakhs

(vi) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Consolidated Changes in Equity.

15. BORROWINGS

(A) Non current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
From banks		
Term loan [refer footnote-(i)]	16,411	19,980
From others		
Car loans [refer footnote-(iii)]	49	35
Unsecured		
Inter corporate loan from related party [refer footnote-(iv)(a)]	3,126	831
From Directors	0	0
Total	19,586	20,846

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturity of long term loan from bank [refer footnote-(i)]	1,201	184
Cash credits from banks [refer footnote-(ii)]	1,178	352
Current maturity of long term car loan [refer footnote-(iii)]	26	17
Unsecured		
Inter corporate loan from related parties [refer footnote-(iv)(b)]	247	284
Total	2,652	837



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

Footnote(s):

Nature of Security	Terms of Repayment
<p>(i) Rupee loan from IndusInd Bank amounting to ₹ 17,612 Lakhs (Previous year : ₹ 20,164 Lakhs) net of processing fee of ₹ 260 Lakhs (Previous year : ₹ 330 Lakhs) is secured against :-</p> <p>(a) office space at 9th and 10th floor, Ashoka Estate, 24 Barakhamba Road, New Delhi</p> <p>(b) Land and Building at Plot No 78, Sector 18, Institutional Area, Gurgaon, Haryana.</p> <p>(c) Lien on fixed deposit of ₹ 1505 Lakhs (Previous year : ₹ 1477 Lakhs) on exclusive basis.</p> <p>(d) Equitable Mortgaged over House No. 82, Sundar Nagar, New Delhi owned by Promoters.</p>	<p>Date of maturity: 20th June 2034, no of installments due: 135, Rate of Interest is 11% p.a.</p>
<p>(ii) Cash Credit limits are part of working capital facilities availed from Kotak Mahindra Bank.</p>	<p>This limit is secured by first and Exclusive charge on Current Assets and movable fixed assets of Hamira Plant, Punjab both present and future, equitable mortgaged on residential property owned by group concern and personal guarantee of promoters.</p>
<p>(iii) Car Loans of ₹ 75 Lakhs (Previous year : ₹ 52 Lakhs) are secured by recording of endorsement on the Registration Certificates of the respective cars in favour of lenders by the Transport Authority.</p>	<p>Date of maturity : 05th Oct 2027, no of installments for all car loan due : 209. Rate of interest 7.21% to 8.99 % p.a.</p>
<p>(iv) (a) Includes ₹ 2287 Lakhs (Previous year : Nil) carrying interest at 7.50% p.a. for a period of 10 years.</p> <p>(b) Includes loan of ₹ 117 Lakhs (Previous year : ₹ 162 Lakhs) for which term of repayments have not been stipulated and therefore it is treated as repayable on demand.</p>	
<p>(v) The Group has utilised the borrowings from banks and others for the specific purposes for which it has been borrowed. There has been no default with regard to repayment of borrowing and interest during the year and there are no overdue amount on this account as on the date of balance sheet. The Group has not been declared as wilful defaulter by any bank or financial institution or any other lender.</p>	

16. LEASE LIABILITIES

A. Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (ROU)	-	19
Total	-	19

B. Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (ROU)	19	32
Total	19	32

Footnote(s):

The movement in Lease liabilities (Non-current and Current) is as follows:

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	51	76
Add: Addition	-	-
Add: Accretion of interest	4	8
Less: Payments	36	33
Balance as at end of the year	19	51



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

17. OTHER FINANCIAL LIABILITIES

(A) Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	4,119	5,969
Total	4,119	5,969

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed matured deposits <i>[refer footnote-(i)]</i>	7	26
Interest accrued but not due	59	72
Interest accrued and due <i>[refer footnote-(iii)]</i>	400	222
Security deposits	1,652	58
Employee benefits <i>[refer footnote-(iii)]</i>	775	550
Expenses payable	338	390
Other liabilities <i>[refer footnote-(iv)]</i>	74	74
Total	3,305	1,392

Footnote(s):

- (i) There are no amounts due for payment to the Investor Education and Protection Fund (IEPF) in terms of section 125 of the Companies Act, 2013.
- (ii) Includes ₹ 247 Lakhs payable to stockists on the security deposits, ₹ 151 Lakhs payable to related parties on inter corporate loans.
- (iii) Includes ₹ 46 Lakhs payable to ex- employees outstanding for a period of more than 3 years.
- (iv) Includes ₹ 65 Lakhs (Previous year : ₹ 60 Lakhs) on account of business surplus payable to ex-franchisee partner pertaining to earlier years pending final settlement.

18. PROVISIONS

(A) Non-current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity	1,774	1,857
- Compensated absences	131	138
Total	1,905	1,995

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity	371	374
- Compensated absences	84	75
Total	455	449

Footnote(s):

- (i) Gratuity and compensated absences have been determined by actuary in terms of Ind AS 19 and accordingly provided. *[for detail refer note 33]*.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

19. OTHER LIABILITIES

(A) Non-Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred income [refer footnote-(i)]	274	381
Others [refer footnote-(iii)]	240	405
Total	514	786

(B) Current

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	280	369
Advances received against assets held for sale[refer note 12(i)]	4,627	4,627
Statutory dues [refer footnote-(iii)]	938	1,459
Deferred income [refer footnote-(i)]	367	292
Total	6,212	6,747

Footnote(s):

- (i) Represent difference in fair value and carrying value of security deposit received.
- (ii) Represents advance received from customer in earlier years for enhancing the production capacity of the Plant which is being adjusted from the job work service income on regular intervals as per the stipulations laid out in the agreement. Management is of the view that the same is exempt deposit within the meaning of sec 2(31) of the Companies Act, read with Acceptance of deposit [rules] 2014.
- (iii) Includes provision of custom duty of ₹ 470 Lakhs (Previous year : ₹ 381 Lakhs) in respect of goods in transit and provision of excise duty of ₹ 124 Lakhs (Previous year : ₹ 283 Lakhs) in respect of closing stock of finished goods.

20. TRADE PAYABLES

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023.	As at March 31, 2022
Total outstanding dues of Micro Enterprises and Small Enterprises: and	51	27
Total outstanding dues of creditors other than Micro Enterprises & Small Enterprises	4,899	5,555
Total	4,950	5,582

Ageing schedule of Trade payable from the date of transaction:

Particulars	As at March 31, 2023				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
a) Undisputed trade payables					
Micro Enterprises and Small Enterprises	49	-	-	2	51
Others	4,577	81	55	186	4,899
Total	4,626	81	55	188	4,950
b) Disputed trade payables					
Micro Enterprises and Small Enterprises	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-
Balance as on March 31, 2023	4,626	81	55	188	4,950



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

Particulars	As at March 31, 2022				
	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
a) Undisputed trade payables					
Micro Enterprises and Small Enterprises	20	-	-	7	27
Others	4,615	177	122	587	5,501
Total	4,635	177	122	594	5,528
b) Disputed trade payables					
Micro Enterprises and Small Enterprises	-	-	-	-	-
Others	-	-	-	54	54
Total	-	-	-	54	54
Balance as on March 31, 2022	4,635	177	122	648	5,582

Footnote(s):

(i) This information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

(ii) Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year		
- Principal Amount Unpaid	51	27
- Interest due	2	6
The amount of interest paid by the buyer in term of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to suppliers beyond the appointed day during the year		
- Payment made beyond the Appointed date	0	0
- Interest paid beyond the Appointed date	0	0
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	1	1
The amount of interest accrued and remaining unpaid at the end of the year.	2	6

(iii) Refer note 38(a) (iii) and (c) for commodity price risk and liquidity risk



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

21. REVENUE FROM OPERATIONS

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products (including excise duty) [refer footnote-(i)]	49,387	35,182
(b) Sale of services (Job work) [refer footnote-(iv)]	7,501	8,808
(c) Other operating revenues [refer footnote (ii)]	1,057	867
(d) Revenue from franchisee business [refer footnote-(iii)]	257	288
Total	58,202	45,145

Footnote(s):

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Sale of products comprises		
(a) Manufactured goods		
Malt & malt extract	4,695	3,349
Processed milk	2,808	3,439
ENA/Liquor	37,617	24,561
By Product/Others	2,736	2,436
	47,856	33,785
(b) Traded goods		
Petroleum products	1,524	1,296
Others	7	101
	1,531	1,397
	49,387	35,182
(ii) Other operating revenues comprises		
Royalty	802	641
Duty drawbacks	90	66
Scrap sales	98	98
Commission/Marketing income	67	62
	1,057	867
(iii) Income from Franchisee business		
Group has entered into supply agreement with few parties. Under the agreement, parties manufacture at their own cost under supervision of the Group and sell the same to retailers (Licencees) on behalf of the Group. Revenue is recognised net of cost of goods sold. The gross revenue and cost of goods sold reported are unconfirmed and certified by the management as under:		
Sales from franchisee business	29,287	21,243
Less : Cost of goods sold	29,030	20,955
Net Revenue	257	288

(iv) Refer Note 7(iv)(b) in respect of unbilled revenue.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

22. OTHER INCOME

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income [refer footnote-(i)]	181	122
Rental maintenance income	271	188
Profit on sale of vehicle	-	98
Rent other	2	2
Profit on sale of investment [refer footnote-(ii)]	200	-
Rent from investment properties	1,411	1,276
Gain on financial instruments at fair value through profit or loss	376	307
Liabilities/provisions no longer required written back [refer footnote-(iii)]	1,397	3,206
Misc. income [refer footnote-(iv)]	336	48
Total	4,174	5,247

Footnote(s):

- (i) Includes interest of ₹ 40 Lakhs (Previous year : ₹ 13 Lakhs) on income tax refund, ₹ 96 Lakhs interest on FD (Previous year : ₹ 83 Lakhs), ₹ 44 Lakhs interest on loans given to related party and others (Previous year : ₹ 26 Lakhs).
- (ii) Includes an item of exceptional nature being gain on sale of investment held in associates of ₹ 198 Lakhs (Previous year : ₹ Nil) made to a group entity at arms length price determined on the report of Registered Valuer.
- (iii) Includes Reversal of provision in respect of bad and doubtful debts, advances written off, recovered during the year, write back of Advances from customers, Trade and expenses payable, security deposit aggregating to ₹ 1373 Lakhs as no longer required/payable.
- (iv) Includes items of exceptional nature:
 - (a) settlement of insurance claims of earlier years of ₹ 237 Lakhs (including interest of ₹ 106 Lakhs) (Previous year : ₹ Nil) pending realisation.
 - (b) settlement of other claims (mesne) Profits of ₹ 45 Lakhs (Previous year : ₹ Nil) subsequently realised.
 - (c) ₹ 52 Lakhs (Previous year : ₹ 45 Lakhs) gain on foreign exchange fluctuation.

23. COST OF MATERIAL CONSUMED

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	2,259	2,174
Add: Purchases	29,009	23,673
	31,268	25,847
Less: Inventory at the end of the year	2,958	2,259
	28,310	23,588

24. PURCHASES OF STOCK-IN-TRADE

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Petroleum products	1,484	1,281
Others	15	-
Total	1,499	1,281



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year:		
Finished goods	808	613
Stock-in-trade	62	25
Work-in-progress	218	626
	1,088	1,264
Inventories at the end of the year:		
Finished goods	828	808
Stock-in-trade	33	62
Work-in-progress	423	218
	1,284	1,088
Decrease/(Increase)	(196)	176

26. EMPLOYEE BENEFIT EXPENSES

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	6,115	6,085
Share based payments (refer note 14(v))	407	56
Gratuity & compensated absences (refer note 33)	286	327
Contribution to provident, family pension fund	296	324
Contribution to employees' state insurance	91	98
Staff welfare expenses	139	134
Total	7,334	7,024

27. FINANCE COST

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on:		
Borrowings	2,597	2,388
Security deposit received	226	358
Lease liabilities	4	8
Other (including bill discounting charges/on statutory dues, processing fees and foreclosure charges etc)	224	128
Total	3,051	2,882

28. DEPRECIATION AND AMORTISATION EXPENSES

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(refer Note no 2.3(d) & (e) of accounting policy)		
Depreciation on property, plant & equipment	928	921
Depreciation on investment property	44	45
Amortisation of right-of-use assets	29	30
Total	1,001	996



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

29. OTHER EXPENSES

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spare parts	289	427
Power and fuel	5,945	5,025
Repairs - Buildings	113	156
- Plant and machinery	306	384
Excise duty [refer footnote (i)]	(158)	203
Contractual manufacturing cost	981	993
Carriage & others	302	345
Rent (net)	19	25
Rates & taxes	1,038	897
Insurance	144	123
Travelling expenses	208	131
Other repairs & maintenance	320	324
Bad debts, advances and stock written off	895	1,554
Provision for doubtful debts and advances	15	26
Provision for inventory for obsolete stock	31	5
Fixed assets written off	1	-
Loss on sale of fixed assets	14	-
Directors' fee	9	9
Security expenses	294	292
Forwarding charges	278	253
Advertisement, publicity and sales promotion	536	989
Auditor's remuneration [refer footnote (ii)]	23	22
Legal & professional expenses	345	368
Fair value loss on financial instruments	359	332
Miscellaneous expenses	785	863
Total	13,092	13,746

Footnote(s):

(i) Represents the difference between excise duty on valuation opening and closing inventory of finished goods.

(ii) **Payment to statutory auditor**

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor		
For audit	17	17
For limited review	5	5
Out of Pocket Expenses	1	-
	23	22

* other auditors expenses included in legal & professional expenses.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

30. PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

The Group has discontinued its operations at Sahibabad glass division. The disclosures as required under Indian Accounting Standard - 105 are given below.

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Revenue		
Miscellaneous Income	79	-
Liabilities/provisions no longer required written back	-	34
Total revenue	79	34
(B) Expenses		
Employee benefits expenses		
Salaries, Wages, Bonus and Gratuity	8	7
Other expenses		
Rates & taxes	6	5
Travelling expenses	-	0
Other repairs & maintenance	0	0
Bad Debts, Advances and Stock written off	-	32
Security Expenses	6	5
Legal & professional expenses	-	1
Miscellaneous expenses	1	1
Total expenses	21	51
Profit/(Loss) for the year (A - B)	58	(17)
Less: Tax expense	-	-
Profit/(Loss) after tax for the year	58	(17)
Total Assets	41	46
Total Liabilities	4,689	4,630
Cash Flow from discontinued operations included in above		
- Operating activities	62	-
- Investing activities	-	-
- Financing activities	(62)	-



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

31. EARNINGS PER SHARE (EPS)

Basic EPS is calculated by dividing the net profit for the year attributable to equity shareholders by 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 share, other than potential equity shares.

For the purpose of calculating the diluted EPS the net profit for the year attributable to equity shareholders and weighted average number of equity shares outstanding during the year are adjusted for the effects all dilutive potential equity shares.

Earnings per share is computed as under

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) attributable to shareholders (₹ in lakhs)		
From continuing operations	674	65
From discontinued operations	58	[17]
Total	714	48
Weighted average number of equity shares at the beginning of the year	4,61,48,112	4,61,48,112
Add: Equity shares on account of exercise of employee stock option	1,67,516	-
Weighted average number of equity shares at the end of the year	4,63,15,628	4,61,48,112
Weighted average number of equity shares used for computing basic earning per share	4,63,15,628	4,61,48,112
Add: Weighted average number of potential equity shares on account of employee stock options	11,53,067	8,37,584
Weighted average number of equity shares used for computing diluted earning per share	4,74,68,695	4,69,85,696
Basic earnings per share of ₹ 10 each (₹)		
From continuing operations	1.45	0.15
From discontinued operations	0.13	[0.04]
Total basic earnings per share	1.58	0.11
Diluted earnings per share of ₹ 10 each (₹)		
From continuing operations	1.42	0.15
From discontinued operations	0.12	[0.04]
Total diluted earnings per share	1.54	0.11

32. CONTINGENT LIABILITIES

(Refer note 2.3(x)) of significant accounting policies:

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Claim against the Group not acknowledged as debt :		
Service tax (footnote (i))	180	180
Sales tax /VAT (footnote (iii))	615	718
Employee state insurance/others (footnote (iii))	214	214
Others (footnote (iv))	60	22
Total	1,069	1,134

Footnote(s) :

(i) Service tax

- (a) Demand of service tax under service of supply of tangible goods ₹ 124 Lakhs (Previous year : ₹ 124 Lakhs).
- (b) Demand of service tax and penalty under management, maintenance and repair services ₹ 18 Lakhs (Previous year : ₹ 18 Lakhs).
- (c) Demand of ₹ 38 Lakhs against Excise audit at UG covering period of April 2014 to June 2017 (Previous year : ₹ 38 Lakhs).



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(ii) Sales tax / VAT

- (a) Demand of sales tax & penalty under Telangana VAT Act on account of VAT on royalty ₹ 103 Lakhs (Previous year : ₹ 103 Lakhs).
- (b) Demand of sales Tax & penalty under Punjab VAT Act on account of input VAT credit denied on rice husk ₹ 220 Lakhs (Previous year : ₹ 220 Lakhs).
- (c) Demand of sales tax under Haryana VAT Act on account of disallowance of credit of excess VAT deposited due to rate difference ₹ 40 Lakhs (Previous year : ₹ 40 Lakhs).
- (d) Demand for disallowance of ITC on purchase of rice flour ₹ 108 Lakhs (Previous year : ₹ 108 Lakhs).
- (e) Demand of sales tax under Ranchi VAT Act Assessment for FY 2015-16 ₹ 65 Lakhs (Previous year : ₹ 65 Lakhs).
- (f) Demand of sales tax under Ranchi VAT Act Assessment for FY 2016-17 ₹ 8 Lakhs (Previous year : ₹ 8 Lakhs).
- (g) Demand of sales tax under Dehradun VAT Act Assessment for FY 2016-17 ₹ 71 Lakhs (Previous year : ₹ 71 Lakhs).

(iii) Employee state insurance/employee related

- (a) Claim in respect of case filed by ESI Corporation ₹ 6 Lakhs (Previous year : ₹ 6 lakhs).
- (b) Employees related claims ₹ 208 Lakhs (Previous year : ₹ 208 Lakhs).

(iv) Others

- (a) Claim by Punjab Government in respect of amount paid to Mahalaxmi Sugar Mills pending before the 'The Court of Civil Judge (Senior Division), Kapurthala' ₹ Nil (Previous year : ₹ 22 Lakhs).
- (b) There are certain claims against the Group relating to usage of trade mark etc., which have not been acknowledged as debts. The quantum and outcome of such claims is not ascertainable at this stage.
- (c) Includes ₹ 60 Lakhs deposited pending completion of assessment in response to Notice of Demand u/s 100(1) Of NDMC ACT 1994.

(v) Income Tax Act, 1961

- (a) Protective addition of ₹ 5657 Lakhs and substantive addition of ₹ 107 Lakhs made in the assessment proceedings u/s 153 A in earlier years (AY 2009-10 to AY 2013-14) on account of excessive sales promotion expenses and alleged accommodation purchases respectively were deleted by CIT (A) [except sales promotion expenses of ₹ 77 Lakhs which was confirmed by CIT (A).] against which department has filed appeal(s) and Group has filed cross objection to the confirmed addition before the ITAT which is pending for adjudication. For assessment year 2009-10 and 2010-11, ITAT has dismissed the second appeal of Department regarding relief of sales promotion expenses of ₹ 2655 Lakhs. The Group has strong legal reasons that appeal of the Department for remaining years will be dismissed and the Group will get the remaining relief of ₹ 77 Lakhs.
- (b) Assessment under section 147 in respect of assessment year 2016-17 has been made by making certain disallowances/ addition of ₹ 445 Lakhs on account of late deposit of provident fund and alleged bogus purchases resulting in reduction of carry forward of losses to the same extent. The Group have filed appeal before first appellate authority and has strong legal reasons to get relief.
- (c) Rectification order U/s 154 for AY 2017-18 making total additions of ₹ 1012 Lakhs on account of disallowance of expenses u/s 36(1) (va), 201(1A)/206 C(7) and provision for obsolete inventory has been passed. The additions made by the Assessing officer purports to reduction of carry forward of losses without any current tax impact. Aggrieved by the disallowances made by the A.O. the assessee Group have preferred an appeal before first appellate authority which is pending. The Group expects substantial relief considering the legal position and past record.

(vi) The Group is contesting these above demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the consolidated financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations. The Group does not expect any reimbursements in respect of the above contingent liabilities.

(vii) In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management reasonably does not expect that these legal actions, when ultimately concluded and determined, will have material effect on the Group's results of operations or financial condition.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

33. EMPLOYEE BENEFITS

(A) Defined contribution plans

Refer Note 2.3(o) of Accounting Policy

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Employers' contribution to provident fund	296	324
(ii) Employers' contribution to employees' state insurance	91	98

Included in 'Contribution to Provident, Family Pension and 'Employees' State Insurance (Refer Note 26)

(B) Defined benefit plans

The benefit of Gratuity is payable as per the Payment of Gratuity Act, 1972 or maximum gratuity payable under the said Act, which ever is lower. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Group. The Group does not have any funded plan.

The following table summarises the components of net benefit expenses and the provision status for the plans as determined by Actuary.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Assumptions		
(a) Discount rate p.a.	7.36%	7.15%
(b) Attrition rate p.a.	10%	10%
(c) Salary Rise p.a.	6%	6%
(d) Rate of return of plan assets	N.A.	N.A.
(e) Expected average remaining working lives of employees (in years)	13.59	14.34
(ii) Change in the present value of obligation		(All amounts in ₹ Lakhs)
(a) Present value of obligation as at beginning of the year*	2,231	2,232
(b) Interest cost	152	142
(c) Current/Past service cost	117	123
(d) Benefit paid	(215)	(240)
(e) Actuarial (gain)/loss on obligations	(140)	(26)
(f) Present value of obligation as at end of the year	2,145	2,231
(iii) Amount recognised in the balance sheet		
(a) Present value of obligation as at end of the year	2,145	2,231
(b) Fair value of plan assets as at the year end	-	-
(c) (Asset) / Liability recognised in the balance sheet	2,145	2,231
Net liabilities recognised in the balance sheet accounted for as below:		
Provision non current (Refer Note 18 A)	1,774	1857
Provision current (Refer Note 18 B)	371	374
(iv) Expenses recognised in the Statement of Profit and Loss		
(a) Under Profit & Loss		
Current/Past service cost	117	123
Interest cost	152	142
Actuarial (gain)/loss on obligations	-	-
(b) Total Expenses recognised in the Statement of Profit and Loss	269	266
(c) Remeasurement-other comprehensive Income (OCI)	(140)	(26)
Net impact on total comprehensive income (TCI)	129	240



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

33. EMPLOYEE BENEFITS (Contd...)

[v] Sensitivity analysis:		[All amounts in ₹ Lakhs]	
Particulars	For the year ended March 31, 2023		
	1% increase	1% decrease	
Discount rate	[93]	102	
Salary increase rate	102	[95]	
Employee attrition rate	5	[6]	
Particulars	For the year ended March 31, 2022		
	1% increase	1% decrease	
Discount rate	[98]	107	
Salary increase rate	107	[99]	
Employee turnover	5	[5]	

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable change in key assumptions occurring at the end of the reporting period.

34. RELATED PARTY DISCLOSURES

In accordance with the requirements of "IND-AS 24" on the Related Party Disclosures, the transactions and Related Parties with whom transactions have taken place during the year are as follows:

[A] Detail of related parties with whom the Group had transaction during the year.

Description of relationship	Names of related parties
Ultimate Holding Company	LPJ Holdings Pvt. Ltd.
Associates	Hyderabad Distilleries & Wineries Pvt. Ltd.
Key Manarerial Personnel, Promoter and their relatives:	Mr. Karamjit Singh Jaiswal (Promoter) Ms. Roshni Sanah Jaiswal (Promoter & Chief Restructuring Officer) Mr. Ravi Manchanda (Managing Director) Mr. Anil Vanjani (CEO & CFO) Mr. Roopesh Kumar (Company Secretary)
Director (Non-executive)	Mrs. Kiran Indira Kapur Mrs. Anjali Varma Mrs. Sushma Sagar Ms. Vidhi Goel Mrs. Asha Saxena
Enterprises over which Major shareholders, Key Management Personnel, Promoter and their relatives have significant influence / control :	Milkfood Ltd. Fast Buck Investments & Trading Pvt. Ltd. Galaxy Pet Packaging Pvt. Ltd. Quick Return Investment Company Ltd. Double Durable Investments Ltd. Devyani Construction Pvt. Ltd. Ashwa Buildcon Ltd. Mata Constructions & Builders Pvt. Ltd. Swanrose India Pvt. Ltd. Anjani Estates Ltd. LPJ Holdings Pvt. Ltd. Ispace Developers Pvt. Ltd. Fast Growth Estates Pvt. Ltd. Blue Skies Investments Pvt. Ltd. Palm Beach Investment Pvt. Ltd. Snowwhite Holding Pvt. Ltd. Hybrid Holdings Pvt. Ltd.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(B) Details of transactions carried out with the related parties in the ordinary course of business:

[All amounts in ₹ Lakhs]

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Ultimate Holding Company		
LPJ Holdings Pvt. Ltd.		
Loan received	90	-
(ii) Associates		
Hyderabad Distilleries & Wineries Pvt. Ltd.		
Advance given	400	7
Loan taken	-	16
Payment made on behalf of associate	7	18
Refund of advance	288	-
Repayment of loan to HDWPL	-	2
Interest received	38	1
(iii) Key Management Personnel, Promoter, Director and their relatives:		
(a) Mr. Ravi Manchanda		
Managerial remuneration	48	47
Refund of advance	28	-
Loan received	-	350
Repayment of loan	-	350
(b) Mr. Anil Vanjani		
Managerial remuneration	338	265
(c) Ms. Roshni Sanah Jaiswal		
Managerial remuneration	94	94
Expenses incurred on behalf of the Group	13	17
Expenses incurred on behalf of Ms. Roshni Sanah Jaiswal	5	17
(d) Mr. Roopesh Kumar		
Managerial remuneration	23	21
(e) Mrs. Kiran Indira Kapur		
Sitting fee paid	3	3
(f) Mrs. Anjali Varma		
Sitting fee paid	2	2
Adjustment of advance	4	-
(g) Mrs. Sushma Sagar		
Sitting fee paid	1	1
(h) Mrs. Asha Saxena		
Sitting fee paid	0	1
(i) Ms. Vidhi Goel		
Sitting fee paid	2	2



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(iv) Enterprises over which Major shareholders, Key Managerial Personnel, Promoter and their relatives have significant influence / control :		
(a) Milkfood Ltd.		
Expenses incurred by the Group on behalf of Milkfood Ltd.	16	12
Rental income	41	41
Expenses incurred by Milkfood Ltd. on behalf of the Group	-	2
Payment made to vendor on behalf of the Group	-	17
(b) Galaxy Pet Packaging Pvt. Ltd.		
Interest paid	0	0
(c) Quick Return Investment Company Ltd.		
Repayment of loan	2	-
Interest paid	9	12
(d) Double Durable Investments Ltd.		
Repayment of loan	1	-
Interest paid	0	0
(e) Devayani Construction Pvt. Ltd.		
Loan received	-	320
Repayment of loan	-	320
Interest paid	-	6
(f) Ashwa Buildcon Ltd.		
Loan received	2,467	-
Repayment of loan	135	-
Advance Recd for share sale	200	-
Sale of Investment	(200)	-
Advance given	-	271
Refund of advance	18	294
Interest received	-	21
Interest paid	81	-
(g) Mata Constructions & Builders Pvt. Ltd.		
Repayment of loan	123	110
Interest paid	85	97
(h) Swanrose India Pvt. Ltd.		
Advance given/Payment made on behalf of the Group	7	156
Refund of advance	6	156
Sale of others (Santizers)	27	432
Rental income	1	1
(i) Anjani Estates Ltd.		
Refund of advance	2	-
Provision for advance	-	4
(j) Fast Growth Estates Pvt. Ltd.		
Loan received	200	-
Repayment of loan	200	-
Interest Paid	0	-
(k) Ispace Developers Pvt. Ltd.		
Expenses incurred on behalf of Ispace Developers Pvt. Ltd.	9	-



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(C) Outstanding balance as at end of the year

(All amounts in ₹ Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Ultimate Holding Company		
LPJ Holdings Pvt. Ltd.		
Receivable/(Payable)	(90)	-
(ii) Associates		
Hyderabad Distilleries & Wineries Pvt. Ltd.		
Receivable/(Payable)	74	(78)
(iii) Key Managerial Personnel, Promoter, Director and their relatives:		
(a) Mr. Ravi Manchanda		
Receivable/(Payable)	-	27
(b) Mr. Karamjit Singh Jaiswal/Mrs. Shakun Jaiswal		
Receivable/(Payable)	(20)	(20)
(c) Ms. Roshni Sanah Jaiswal		
Receivable/(Payable)	(18)	-
(d) Mrs. Anjali Verma		
Receivable/(Payable)	33	37
(iv) Enterprises over which major Shareholders, Key Managerial Personnel, Promoter and their relatives have significant influence / Control		
(a) Milkfood Ltd.		
Receivable/(Payable)	2	(4)
(b) Fast Buck Investments & Trading Pvt. Ltd.		
Receivable/(Payable)	(8)	(8)
(c) Galaxy Pet Packaging Pvt. Ltd.		
Receivable/(Payable)	(2)	(2)
(d) Quick Return Investment Company Ltd.		
Receivable/(Payable)	(162)	(156)
(e) Double Durable Investments Ltd.		
Receivable/(Payable)	(3)	(3)
(f) Devyani Construction Pvt. Ltd.		
Receivable/(Payable)	(28)	(28)
(g) Ashwa Buildcon Ltd.		
Receivable/(Payable)	(2,404)	21
(h) Mata Constructions Buildings Pvt. Ltd.		
Receivable/(Payable)	(746)	(869)
(i) Swanrose India Pvt. Ltd.		
Receivable/(Payable)	30	141
(j) Anjani Estates Ltd.		
Receivable/(Payable)	2	4
(k) Fast Growth Estates Pvt. Ltd.		
Receivable/(Payable)	(0)	-
(l) Blue Skies Investments Pvt. Ltd.		
Receivable/(Payable)	2	2
(m) Palm Beach Investments Pvt. Ltd.		
Receivable/(Payable)	3	3
(n) Snowwhite Holding Pvt. Ltd.		
Receivable/(Payable)	1	1
(o) Hybrid Holdings Pvt. Ltd.		
Receivable/(Payable)	(2)	(2)



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

Footnote(s) :

- (i) Related parties have been identified by the management.
- (ii) Key Management Personnel remuneration does not include provision for gratuity and compensated absences which is determined for the Group as whole.
- (iii) No amount has been written off / provided for or written back during the year in respect of amount receivable from or payable to related parties.
- (iv) Remuneration paid to KMP excludes expenses incurred in the course of performance of duty.

35. SEGMENT INFORMATION

The Group's operating segments are established on the basis of those components of the group that are evaluated regularly by the chief operating officer (the 'Chief Operating Decision Maker' as define in Ind As 108 -'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The CODM does not review assets and liabilities for each operating segment separately, hence segment disclosures relating to total assets and total liabilities have not been furnished. The Group's business segments are as under:

Beverages: Segment includes manufacturing and supply of Bottled Indian Made Foreign Liquor, Country Liquor, Industrial Alcohol and licensing use of its IMFL brands.

Food: Segment includes manufacturing and supplies of food products and providing services for manufacture of food products.

Others: Segment includes trading of Petroleum products.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Group with following additional policies for segment reporting.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as 'Unallocable'.

(A) Primary segment information

(All amounts in ₹ Lakhs)

	Beverages		Food		Others		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
(i) Segment revenue								
Sales, services and other income	41,155	27,613	15,523	16,236	1,524	1,296	58,202	45,145
Less : Excise duty	(7,611)	(619)	-	-	-	-	(7,611)	(619)
Total revenue	33,544	26,994	15,523	16,236	1,524	1,296	50,591	44,526
(ii) Segment results								
Segment results	3,044	2,063	1,393	1,005	4	9	4,441	3,077
Unallocable Expenditure net of Unallocable Income	-	-	-	-	-	-	573	115
Finance cost	-	-	-	-	-	-	3,051	2,882
Profit/(Loss) before exceptional items	-	-	-	-	-	-	817	80
Exceptional items	-	-	-	-	-	-	-	-
Add: Share of Net Profit/(Loss) of Associate	-	-	-	-	-	-	20	(11)
Profit/ (Loss) before tax from continuing operations	-	-	-	-	-	-	837	69
Profit/(Loss) from discontinued operations	-	-	-	-	-	-	58	(17)
Profit/(Loss) before Tax	-	-	-	-	-	-	895	52
Less: Tax expense:	-	-	-	-	-	-	-	4
Profit/ (Loss) after tax	-	-	-	-	-	-	895	48



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(B) Information about geographical areas:

(All amounts in ₹ Lakhs)

	2022-23	2021-22
(i) Revenue (excluding excise duty)		
Within India	47,718	41,731
Outside India	2,873	2,795
Total	50,591	44,526

36. FAIR VALUE

Fair value measurement:

- (i) All the financial assets and financial liabilities of the Group are carried at amortised cost except investment. Investment in associate is carried using equity method as per Ind AS 110 and other investments are carried at fair value.
- (ii) The management assessed that the carrying values of trade and other receivables, deposit, cash and short term deposits, other assets, borrowings, trade and other payables reasonably approximate their fair values because these instruments have short-term maturities.

37. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity. For the purpose of the Group's capital management, includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital. The Group includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financials covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The capital structure is monitored on the basis of net debt to equity and maturity profile of the overall debt portfolio of the Group.

(All amounts in ₹ Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	19,586	20,846
Current borrowings	2,652	837
Less: Cash and cash equivalents	1,098	213
Net debt	21,140	21,470
Equity share capital	4,631	4,615
Other equity	1,890	588
Total capital	6,521	5,203
Gearing ratio	3.24	4.13

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current year.

No significant changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022 except as stated in Note 14(v).



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise borrowings, security deposits received, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and security deposits that are out of regular business operations.

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Group operates a risk management policy and a program that performs close monitoring of and responding to each risk factors. The Group's senior management oversees the management of these risks.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises of three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, trade payables and trade receivables. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate relates primarily to the Group'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 Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(All amounts in ₹ Lakhs)

	As at March 31, 2023		As at March 31, 2022	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(241)	241	(232)	232

The impact of increase of 1% in rate of interest is expected to be mitigated by the endeavour to increase in the turnover substantially and consequentially the profit.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. There does not seem to be any significant risk as transaction in foreign currency are not material.

As there is no significant foreign currency risk, sensitivity analysis showing impact on profit is not calculated.

iii. Commodity price risk

The Group is exposed to the risk of the price volatility of certain commodities raw materials. Its operating activities inter-alia comprise of manufacture of spirit alcohol/Liquor and malted food products and therefore require a continuous supply of Barley/Nakku/Husk/etc. The Group's Board of Directors have developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Group's long standing relationships with most of the suppliers ensure steady availability of raw materials at competitive prices.

The following table shows the effect of price changes on Husk, Barley & Nakku

(All amounts in ₹ Lakhs)

	As at March 31, 2023		As at March 31, 2022	
	1% increase	1% decrease	1% increase	1% decrease
Impact on profit before tax	(246)	246	(180)	180

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty defaults on its obligations. The Group's exposure to credit risk arises majorly from loan, advances, trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and nationalised banks and hence, the Group does not expect any credit risk with respect to these financial assets. Trade receivables includes approximately 16 % dues from state government corporations, where probability of default is remote. In respect of trade receivables from other than state government corporations, Group makes a provision for expected credit loss on the basis of simplified approach as prescribed under Ind AS 109 i.e. on expiry of three years or at the time of initiation of legal proceeding whichever is earlier. The Group management reviews trade receivables/ advances on periodic basis and take necessary mitigative measures, wherever required.



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(c) Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings/ deposits received in the ordinary course of business. The table below summarises the maturity profile of the Group's financial liabilities:

(All amounts in ₹ Lakhs)

	Maturities				Total
	Upto 1 year	1-2 years	2-3 years	Above 3 years	
As at March 31, 2023					
Non-current borrowings	-	644	748	18,064	19,456
Non-current other financial liabilities	-	2,814	378	927	4,119
Current borrowings	2,652	-	-	-	2,652
Trade payables	4,950	-	-	-	4,950
Lease liabilities	19	-	-	-	19
Other financial liabilities	3,305	-	-	-	3,305
Total	10,926	3,458	1,126	18,991	34,501
As at March 31, 2022					
Non-current borrowings	-	627	712	19,507	20,846
Non-current other financial liabilities	-	-	-	5,969	5,969
Current borrowings	837	-	-	-	837
Trade payables	5,582	-	-	-	5,582
Lease liabilities	32	19	-	-	51
Other financial liabilities	1,392	-	-	-	1,392
Total	7,843	646	712	25,476	34,677

39. OTHER INFORMATION

- During the year, revenue from operations registered a significant increase resulting in increase in profit before tax despite increase in the cost of production. As a result, negative net worth of the Group is reduced on account of the increase in the income. The Group's ability to continue as going concern is dependent upon the further increased revenue from operations, gross margin and reduction in finance cost. The management is hopeful of increasing the revenues further and improving gross/ net margins by adopting the cost saving measures. Therefore, no material uncertainty exists on the Group's ability to continue as a going concern.
- In view of the brought forward losses/ unabsorbed depreciation/ book losses, no provision of Income Tax has been made during the year. In absence of virtual certainty of future taxable profits, the Group has not recognised deferred tax assets during the year.
- Enterprises consolidated as subsidiary in accordance with Indian Accounting Standard 110 - Consolidated Financial Statements.

Name of the Subsidiary Company	Country of incorporation	As on March 31, 2023	As on March 31, 2022
JIL Trading Pvt. Ltd.	India	100%	100%
S.R.K. Investments Pvt. Ltd.	India	100%	100%
Sea Bird Securities Pvt. Ltd.	India	80%	80%
L.P. Investments Ltd.	India	98.26%	98.26%
Yoofy Computech Pvt Ltd	India	0.00%	99.99%
Natwar Liquors Pvt. Ltd.	India	100%	100%



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

(iv) Significant Enterprises consolidated as Associates in accordance with Indian Accounting Standard 28 - Investment in Associates and Joint Ventures

Name of the Associates	Country of incorporation	As on March 31, 2023	As on March 31, 2022
Hyderabad Distilleries & Wineries Pvt. Ltd	India	21.20%*	32.88%*

*held through subsidiary

These investments have been accounted for using the equity method whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets.

(v) Additional information as required by Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates:

Summary of Net Assets, Share in consolidated profit and share in Other Comprehensive income

	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount (₹ in Lakhs)	As a % of consolidated net profit	Amount (₹ in Lakhs)	As a % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As a % of consolidated total comprehensive income	Amount (₹ in Lakhs)
31-Mar-2023								
Parent :								
Jagatjit Industries Ltd.	95.79	6,243	128.75	919	79.01	143	118.69	1,062
Subsidiary :								
JIL Trading Pvt. Ltd.	(0.14)	(9.40)	(0.05)	(0.35)	-	-	(0.04)	(0.35)
S.R.K. Investments Pvt. Ltd.	(0.06)	(4.02)	(0.05)	(0.36)	-	-	(0.04)	(0.36)
Sea Bird Securities Pvt. Ltd.	(0.04)	(2.74)	(0.05)	(0.35)	-	-	(0.04)	(0.35)
L.P. Investments Ltd.	(2.68)	(174.39)	(0.13)	(0.92)	-	-	(0.10)	(0.92)
Natwar Liquors Pvt. Ltd.	(0.00)	(0.12)	(0.03)	(0.23)	-	-	(0.03)	(0.23)
Sub Total	92.87	6,052	128.44	916.79	79.01	143	118.44	1,059.79
Inter-Company Elimination & Consolidation Adjustments	(0.06)	(4)	(25.92)	(185)	-	-	(20.68)	(185)
	92.80	6,048	102.52	732	79.01	143	97.76	875
Non-controlling interest in subsidiary	(0.06)	(4)	-	-	-	-	-	-
Share of profit/(loss) in Associate	7.26	473	(2.52)	(18)	20.99	38	2.24	20
Total	100.00	6,517	100.00	714	100.00	181	100.00	895



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount (₹ in Lakhs)	As a % of consolidated net profit	Amount (₹ in Lakhs)	As a % of consolidated other comp- rehensive Income	Amount (₹ in Lakhs)	As a % of consolidated total comp- rehensive Income	Amount (₹ in Lakhs)
31-Mar-2022								
Parent :								
Jagatjit Industries Ltd.	91.52	4,758	104.91	62	100	27	118.51	89
Subsidiary :								
JIL Trading Pvt. Ltd.	(0.17)	(9.05)	(0.61)	(0.36)	-	-	(0.48)	(0.36)
S.R.K. Investments Pvt. Ltd.	(0.07)	(3.65)	(0.64)	(0.38)	-	-	(0.51)	(0.38)
Sea Bird Securities Pvt. Ltd.	(0.05)	(2.46)	(0.61)	(0.36)	-	-	(0.48)	(0.36)
L.P. Investments Ltd.	(3.34)	(173.43)	(1.95)	(1.15)	-	-	(1.53)	(1.15)
Natwar Liquors Pvt. Ltd.	0.00	0.12	(0.51)	(0.30)	-	-	(0.40)	(0.30)
Yoofy Computech Pvt. Ltd.	(0.01)	(0.66)	(0.59)	(0.35)	-	-	(0.47)	(0.35)
Sub Total	87.88	4,568.87	100.00	59.10	100	27	114.66	86.10
Inter-Company Elimination & Consolidation Adjustments	3.46	180	-	-	-	-	-	-
	91.34	4,749	-	-	-	-	114.66	86
Non-controlling interest in subsidiary	(0.08)	(4)	-	-	-	-	-	-
Share of profit/(loss) in Associate	8.73	454	-	-	-	-	(14.66)	(11)
Total	100.00	5,199	-	-	-	-	100.00	75

(vi) Previous year figures have been reclassified/regrouped to this year's classification wherever necessary to make them comparable with this year's classification.

40. RELEVANT ADDITIONAL REGULATORY INFORMATION: (OTHER THAN DISCLOSED IN THE RESPECTIVE NOTES)

- The operating cycle of the Group is assumed to be of twelve months in absence of clearly identifiable normal operating cycle and accordingly assets/ liabilities have been classified as current/ non current.
- No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Group has not revalued its PPE (including ROU asset) and hence disclosure regarding basis of revaluation is not applicable.
- The Group has not carried out any transactions with companies struck off under section 248 of the Companies Act 2013 or under section 560 of the Companies Act 1956.
- There is no charge or satisfaction of any charge which is not registered with ROC beyond the statutory period.
- The Group has not granted any loans or advances in the nature of loans to promoters, directors, Key Managerial Person and the related parties except as stated in the note 6(i) and 8(iii) either severally or jointly with any other person which is either repayable on demand or without specifying any terms or period of demand.
- The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies act read with companies (restriction on number of layers) rules 2017.
- The Group has not applied any accounting policy retrospectively or has made a restatement of items in Financial Statements.
- The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:



Notes to Consolidated Financial Statements (Contd.)

as at March 31, 2023

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (x) The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) 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
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (xi) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xii) The Group does not have any such transaction which are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xiii) Provisions of Sec 135 of the Companies Act 2013 are not applicable to the Group.
- (xiv) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the code becomes effective and the related rules to determine the financial impact are published.



Financial Statements (Consolidated)

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(All amount ₹ in Lacs unless otherwise stated)

Sl. No.	Particulars	Details	Details	Details	Details	Details
1	Name of the subsidiary	JIL Trading Private Limited	L.P. Investments Limited	Sea Bird Securities Private Limited	S. R. K. Investments Private Limited	Natwar Liquors Private Limited
2	Reporting period	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023	31 st March, 2023
3	Share Capital	1.00	1038.25	1.00	1.00	1.00
4	Reserves & Surplus	(10.40)	(1215.73)	(4.42)	(5.02)	(1.12)
5	Total Assets	4.33	12.90	81.00	0.06	0.22
6	Total Liabilities	4.33	12.90	81.00	0.06	0.22
7	Investments	-	1.77	81.00	-	-
8	Turnover	-	0.04	-	-	0.14
9	Profit Before Taxation	(0.35)	(0.92)	(0.35)	(0.36)	(0.23)
10	Income tax for earlier years	-	-	-	-	-
11	Profit After Taxation	(0.35)	(0.92)	(0.35)	(0.36)	(0.23)
12	Proposed Dividend	-	-	-	-	-
13	% of shareholding	100.00	98.26	80.00	100.00	100.00

Notes :

- Names of subsidiaries which are yet to commence operations - Nil
- Name of subsidiary which has been liquidated or sold during the year - **Yoofy Computech Private Limited**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(All amount ₹ in Lacs unless otherwise stated)

Sl. No.	Name of associate	Hyderabad Distilleries and Wineries Private Limited
1.	Latest audited Balance Sheet Date	31 st March, 2023
2.	Shares of Associate held by the Company at the year end :	
	(i) Number of Shares	2014 *
	(ii) Amount of Investment	2.01 *
	(iii) Extent of holding %	21.20 *
3.	Description of how there is significant influence	*
4.	Reason why the associate is not consolidated	Consolidated
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	310.52
6.	Profit / Loss for the year	
	i. Considered in Consolidation	(18)
	ii. Not considered in Consolidation	(65)

* The Company holds 540 equity shares of ₹ 100/- each aggregating to ₹ 54,000/- M/s L. P. Investments Limited, (a subsidiary Company in which Jagatjit Industries Limited holds 98.26% of capital) is holding 1,500 equity shares of ₹ 100/- each aggregating to ₹ 1,50,000/- (the indirect holding of the Company amounts to 1,474 equity shares). Taken together, direct and indirect holding of the Company aggregates to 2014 equity shares of ₹ 100/- each amounting to ₹ 2,01,400/- which is 21.20% of the Share Capital of M/s Hyderabad Distilleries and Wineries Private Limited.

Notes :

- Names of associates or joint ventures which are yet to commence operations - Nil
- Names of associates or joint ventures which have been liquidated or ceased during the year - Nil

Date : 14th August, 2023
Place : New Delhi

Roopesh Kumar
Company Secretary

Anil Vanjani
Chief Executive Officer & CFO

Ravi Manchanda
Managing Director
DIN: 00152760

Sushma Sagar
Director
DIN : 02582144

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



DAMN
GOOD
Scotch

DAMN
GOOD
Scotch

AS YOU LIKE IT!



Registered Office:

Jagatjit Nagar,
Distt. Kapurthala – 144802, Punjab

Corporate Office:

4th Floor, Bhandari House, 91 Nehru Place,
New Delhi – 110019, India

Tel: 0181-2783112

Email: jil@jagatjit.com

CIN No.: L15520PB1944PLC001970

WWW.JAGATJIT.COM