



**HEALTHIER LIFESTYLE THROUGH  
BETTER CHOICES**

**9TH ANNUAL REPORT 2019-2020**





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## COMPANY INFORMATION

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### BOARD OF DIRECTORS

<b>Mr. Dharendra Singh</b>	<b>Chairman &amp; Managing Director</b>
<b>Mr. Abhishek Singh</b>	<b>Whole Time Director</b>
<b>Mr. Nishish Mobar</b>	<b>Independent Director</b>
<b>Mr. Vimal Patel</b>	<b>Independent Director</b>
<b>Mr. Kaushal Ameta</b>	<b>Independent Director</b>
<b>Ms. Shikha Jain</b> <small>(Appointed on 9.7.2020)</small>	<b>Independent Director</b>

#### CHIEF FINANCIAL OFFICER

Mr. Paresh Thakkar

#### COMPANY SECRETARY

Mr. Bhavesh Jingar

#### AUDITOR

M/s. Bagaria & Co., LLP, Mumbai

#### BANKERS

• Bank of Baroda • Punjab National Bank • Union Bank of India

#### REGISTERED OFFICE

Survey No. 1768 & 1774/1, Manjusar Village, Savli, Vadodara - 391775.

**Tel. No.** +91 84699 09000, +91 90994 42000 • **Email:** info@manpasand.co.in • **Website:** www.manpasand.co.in

**CIN:** L15549GJ2010PLC063283

#### REGISTRAR & SHARE TRANSFER AGENT

##### KFIN Technologies Private Limited

Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032

**Telephone:** +91-40-67162222 | **Fax:** +91-40-23001153

**Email:** einward.ris@karvy.com | **Toll Free No.** 1800-3454-001

#### 9th ANNUAL GENERAL MEETING

On **Thursday**, the **December 31, 2020**

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## NOTICE

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Notice is hereby given that the **9th Annual General Meeting** of the members of **Manpasand Beverages Limited**, will be held on **Thursday, December 31, 2020 at 04.00 p.m** through Video Conferencing ("VC")/Other Audio Visual Means (OAVM), to transact the following business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt, the Audited Financial Statements (Including audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2020, together with the reports of Board and Auditors thereon.
2. To appoint a director in place of Mr. Abhishek Singh (DIN: 01326637), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. **To appoint Mrs. Bharti Naik (DIN: 06627217), as Non- Executive & Non Independent Director.**

**If consider and if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution.**

**RESOLVED THAT** pursuant to provision of Section 152 and 160 of the Companies Act, 2013 and the rules framed thereunder (including statutory modifications, enactments, or re-enactments thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Mrs. Bharti Naik (DIN: 06627217), who is eligible to be appointed as Non- Executive & Non Independent Director of the Company, in respect of whom, the Company has received a notice in writing from her, under Section 160 of the Companies Act, 2013, proposing her candidature for the office of the Director of the Company, be and is hereby appointed as Non- Executive & Non Independent Director of the Company and liable to retire by rotation, w.e.f. 31st December, 2020.

**RESOLVED FURTHER THAT** the Board or any committee thereof, be and are hereby authorized to do all such things, deeds, matters and acts as may be required to give effect to this resolutions and to do all things incidental and ancillary thereto.

**Place:- Vadodara**

**Date:- December 09, 2020**

### Registered office;

1768 & 1774/1,

Manjusar Village, Savli Road,

Dist. Vadodara- 391775

**CIN: L15549GJ2010PLC063283**

**By order of the Board of Directors**

**Dhirendra Singh**

**Chairman & Managing Director**

**DIN - 00626056**

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## NOTES

**THIS NOTICE ALONG WITH BALANCE SHEET IS SENT TO ALL THE MEMBERS WHOSE NAME APPEARS IN THE REGISTER OF MEMBER AS ON DECEMBER 4, 2020.**

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") relating to item of Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. At the 8th AGM held on December 30, 2019 the Members approved appointment of M/s. Bagaria & Co., LLP, Chartered Accountants (Firm Registration No.113447W/W-100019) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of the 8th AGM till the conclusion of the 13th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.
3. In view of the continuing Covid-19 pandemic, social distancing norms to be followed and pursuant to General Circular numbers 14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively, issued by the Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (hereinafter collectively referred to as "Circulars"), the AGM of the Company is being conducted through VC/OAVM and does not require physical presence of members at a common venue.
4. The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, December 28, 2020 to Thursday, December 31, 2020 (both days inclusive) in connection with Annual General Meeting of the Company.
6. Corporate Members are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting, to M/s. KFin Technologies Private Limited (Kfintech), the Registrar and Transfer Agent, by email through its registered email address to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
7. In compliance with the aforesaid MCA Circulars, Notice of the e-AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Kfintech or CDSL / NSDL ("Depositories"). Members may note that the Notice alongwith Annual Report will also be available on the Company's website at [www.manpasand.co.in](http://www.manpasand.co.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of Kfintech at [www.evoting.kfintech.com](http://www.evoting.kfintech.com).
8. Members seeking any information with regard to the accounts or any matter to be placed at the ensuing AGM, are requested to write to the Company on or before December 23, 2020 through email at [complianceofficer@manpasand.co.in](mailto:complianceofficer@manpasand.co.in), through their registered email address along with their DP ID/Client ID and Shares held by them.
9. Members whose email address is not registered can register the same in the following manner:
  - a) Members holding share(s) in physical mode can register their e-mail ID on the Company's e-mail id [complianceofficer@manpasand.co.in](mailto:complianceofficer@manpasand.co.in) by providing the requisite details of their holdings and documents for registering their e-mail address; and
  - b) Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective Depository Participants "DPs" for receiving all communications from the Company electronically.
10. The Company has engaged the services of M/s. KFin Technologies Private Limited ("Kfintech"), Registrars and Transfer Agent as the authorized agency for conducting e-AGM and providing e-voting facility to the members of the Company.
11. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
13. Relevant documents referred to in the accompanying Notice calling the AGM are available on the website of the Company for inspection by the Members.
14. As mandated by SEBI, effective from April 01, 2019, the securities of listed companies shall be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise share(s) held by them in physical form.
15. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 9th AGM being held through VC.
- 16. Instructions for attending the AGM and e-voting are as follows:**
  - A. Instructions for attending the AGM:**
    1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and selecting the "Event" for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
    2. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and Members who may like to express their views or ask questions during the AGM may register themselves at <https://www.evoting.kfintech.com>. Facility of joining AGM will be closed on expiry of 15 minutes from the schedule time of the AGM. Those Members who register themselves as speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for each speaker depending upon the availability of time for the AGM.

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3. Facility of joining the AGM through VC / OAVM shall be available for 1,000 members on first come first served basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Auditors, Resolution Professional and his advisors are not restricted on first come first serve basis.

4. Members who need technical assistance before or during the AGM, can contact Kfintech at <https://evoting.kfintech.com>

**B. Instructions for e-voting**

- 1) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members, the facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means. Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ('remote e-voting'). The Company has engaged the services of KFin as the agency to provide remote e-voting facility.

Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.

- 2) The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period:

- Commencement of remote e-voting: **Monday, December 28, 2020 at 9.00 A.M. (IST)**
  - End of remote e-voting: **Wednesday, December 30, 2020 at 5.00 P.M (IST)**
- The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFin upon expiry of the aforesaid period.
- 3) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, December 24, 2020 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and voting through Insta Poll. A person who is not a member as on the cut-off date, should treat the Notice for information purpose only. Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date
- 4) Any person who becomes a member of the Company after despatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and password from KFin in the manner as mentioned below:
- a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS: MYEPWD < space > E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399  
Example for NSDL: MYEPWD <SPACE> IN12345612345678  
Example for CDSL: MYEPWD <SPACE> 1402345612345678  
Example for Physical: MYEPWD <SPACE> XXXX1234567890
- b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click 'Forgot Password' and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c) Member may call on KFin's toll-free numbers / 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.)
- d) Member may send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com) / [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).  
If the member is already registered with KFin's e-voting platform, then he can use his existing password for logging in.
- 5) The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- 6) A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".
- 7) The Company has appointed CS Niraj Trivedi, Practicing Company Secretary, as Scrutiniser to scrutinise the remote e-voting and Insta Poll process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

**Information and instructions for remote e-voting:**

- I. **(A) In case a member receives an e-mail from the Company / KFin [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:**
- a) Launch internet browser by typing the URL: <https://evoting.kfintech.com>
- b) Enter the login credentials (User ID and password given in the e-mail). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use the existing password for logging in. If required, please visit <https://evoting.karvy.com> or contact toll-free numbers / 1800-345-4001 (from 9:00 a.m. to 6:00 p.m.) for your existing password.
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- c) After entering these details appropriately, click on "LOGIN".
  - d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging-in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - e) You need to login again with the new credentials.
  - f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Manpasand Beverages Limited.
  - g) On the voting page, enter the number of shares as on the cut-off date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose to "ABSTAIN" and vote will not be counted under either head.
  - h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
  - i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".
  - j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
  - k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.
  - l) Once you confirm, you will not be allowed to modify your vote.
  - m) Corporate / Institutional Members (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail id: mail.mailneerajtrivedi@gmail.com. It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVENT NO."
- (B) In case of a member whose e-mail address is not registered / updated with the Company / KFin / Depository Participant(s), please follow the following steps to generate your login credentials:**
- a) Members who have not registered their E-mail address and in consequence, the Notice of AGM could not be served, may temporarily get their E-mail address and mobile number provided with the Company's Registrar, by clicking the link <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx> for sending the same. Members are requested to follow the process as guided to capture the E-mail address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any query, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at email id [complianceofficer@manpasand.co.in](mailto:complianceofficer@manpasand.co.in).
  - b) Members holding shares in dematerialised mode who have not registered their e-mail addresses with their Depository Participant(s) are requested to register / update their email addresses with the Depository Participant(s) with whom they maintain their demat accounts.
  - c) After due verification, the Company / KFin will forward your login credentials to your registered email address.
  - d) Follow the instructions at I.(A). (a) to (m) to cast your vote.
- III. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
- IV. In case of any query, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://evoting.kfintech.com> or call KFin on 1800 345 4001 (toll free).

**Instructions for members for e-voting during the e-AGM session:**

- a) During the e-AGM proceedings, upon instructions of the chairman, the e-Voting 'Thumb sign' on the left hand corner of the video screen shall be activated. Shareholders shall click on the same to take them to the 'Insta Poll' page.
- b) Members to click on the 'Insta Poll' icon to reach the resolution page and follow the instructions to vote on the resolutions.
- c) Only those shareholders, who are present in the e-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the e-AGM. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within



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forty-eight hours of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: [www.manpasand.co.in](http://www.manpasand.co.in) and on the website of KFin at: <https://evoting.kfintech.com>. The result will simultaneously be communicated to the stock exchanges.

Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed as per the provision of applicable law.

**Instructions for the Members for attending the e-AGM through Video Conference;**

1. **Attending e-AGM Video conference :** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by M/s KFin Technologies Private Limited. Members may access the same at <https://emeetings.kfintech.com> and **click on the "video conference"** and access the shareholder/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected.
2. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
3. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
4. Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into <https://emeetings.kfintech.com/> and click on "Post your Questions" may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered only, the shareholder continue to hold the shares as of cut-off date benpos. The post the questions shall commence on December 28, 2020 9.00 AM and closed on December 30, 2020 at 5.00 PM.
7. **Speaker Registration:** Log into <https://emeetings.kfintech.com/> and click on "Speaker Registration" by mentioning the demat account number/folio number, city, email id, mobile number and submit. The speaker registration shall commence on December 28, 2020 at 9.00 AM and closed on December 30, 2020 at 5.00 PM

**Instructions for members for e-Voting during the e-AGM session:**

1. The e-Voting "Thumb sign" on the left hand corner of the video screen shall be activated upon instructions of the chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the "instapoll" page
2. Members to click on the "Instapoll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
3. Only those shareholders, who are present in the e-AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the e-AGM.

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**EXPLANATORY STATEMENT (PURSUANT TO THE PROVISION OF SECTION 102 OF THE COMPANIES ACT, 2013)**

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**Item No. 3**

The Company received notice dated 01.12.2020 from Mrs. Bharti Naik (DIN: 06627217) under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Non-Executive-Non Independent Director of the Company. The Company also received the following documents from Mrs. Bharti Naik;

1. Consent in writing to act as Director in DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
2. Intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014.
3. Notice of Interest in Companies in Form MBP-1, pursuant to Section 184 (1) read with Rule 9 (1) of the Companies (Meeting of Board and its Powers) Rules, 2014 and,

Based on the declaration received from Mrs. Bharti Naik, the Board is of the opinion that, she fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder.

The Resolution seeks the approval of members for the appointment of Mrs. Bharti Naik as Non-Executive-Non Independent Director of the Company with effect from 31st December, 2020 and She is liable to retire by rotation.

None of the Promoters/Directors/Key Managerial Personnel of the Company/ their relatives are in any way concerned or interested in the resolution as set out at item No. 3 of this notice.

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## ANNEXURE TO THE NOTICE

Information required pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / re-appointment at the 9th Annual General Meeting.

Name of Directors	Mr. Abhishek Singh	Mrs. Bharti Naik
Director Identification Number	01326637	06627217
Age	31 Years	40 Years
Qualification	B.E Food Technology	Home Science graduate with a Post Graduate degree in Human Development and Family Studies and Diploma in Industrial Relations and Personnel Management (IRPM)
Experience	9 years	12 Years
Terms and Conditions of appointment / Re-appointment	Appointed as Whole Time Director of the Company for the period of 5 years.	As per the resolution at item no. 3 of the Notice convening Annual General Meeting read with explanatory statement thereto
Remuneration last drawn	1.20 Crs. p.a.	None
Date of First appointment on the Board of the Company	17th December, 2010	If appointed by shareholders, the effective date of appointment will be December 31, 2020.
Brief resume of the Director	Refer to Corporate Governance Report	She has about 12 years of experience in the H.R.M sector.
Shareholdings in the Company	5,000 Equity shares	Nil
Disclosure of relationship between directors inter-se	Except Mr. Dharendra Singh, Managing Director, None of the Directors have inter-se relation.	None
Number of meeting of Board attended during the year	Refer to Corporate Governance Report	None
List of directorship held in other Company	Manpasand Snacks and Beverages Limited	Inspire Human Potential Private Limited
Membership/ Chairmanship in Committees of other Companies as on date	None	None

By order of the Board of Directors

Registered office:  
1768 & 1774/1,  
Manjusar Village, Savli Road,  
Dist. Vadodara- 391775  
CIN: L15549GJ2010PLC063283

Dhirendra Singh  
Chairman & Managing Director  
DIN - 00626056

Date: December 09, 2020  
Place: Vadodara

## BOARDS' AND MANAGEMENT DISCUSSION ANALYSIS REPORT

Dear Members,

The Directors are pleased to present the 9th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2020.

### 1. FINANCIAL RESULTS

₹ in Lakhs

Particulars	2019-20	2018-19
<b>Revenue from Operations</b>	<b>4,082.92</b>	<b>63,607.84</b>
Profit/Loss before interest, depreciation & tax	-3,441.44	-9,240.21
Less :- Finance Cost	192.87	1,288.08
<b>Profit before depreciation, Exceptional item &amp; Tax</b>	<b>-3,634.31</b>	<b>-10,528.29</b>
Less: - Depreciation and Amortization expenses	8,580.98	10,142.41
<b>Profit before Exceptional Item &amp; Tax</b>	<b>-12,215.29</b>	<b>-20,670.70</b>
Less :- Exceptional Item	6,668.31	38,687.64
<b>Profit before Tax</b>	<b>-18,883.60</b>	<b>-59,358.34</b>
Less:- Tax Expenses	159.96	-171.42
<b>Profit after tax</b>	<b>-19,043.56</b>	<b>-59,186.92</b>
Add :- Total other Comprehensive Income for the period net of tax	38.96	13.87
<b>Total Comprehensive Income for the Year</b>	<b>-19,004.60</b>	<b>-59,173.05</b>

### 2. REVENUE FROM OPERATIONS

Your Company's total income during the year under review was ₹ 4,082.92 Lakhs as compared to Rs. 63,607.84 Lakhs in the previous year.

Key Financial Ratios (Standalone Basis)		
Ratios	2019-20	2018-19
Debtors Turnover	1.37	6.47
Inventory Turnover	1.88	8.97
Interest Coverage Ratio	(62.33)	(15.05)
Current Ratio	0.38	0.81
Debt Equity Ratio	0.37	0.38
Operating Profit Margin (%)	(2.94)	(0.30)
Net Profit Margin (%)	(4.66)	(0.93)
Return on Net Worth	(0.42)	(0.91)

The financial year 2019-20 was severely disrupted due to certain extraordinary events as highlights in Point No. 4 of the Board Reports. As a result, there is significant variation in the above listed ratios. The Company's operations were hindered for major part of the period.

### 3. COVID – 19

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdowns of all economic activity. Since the beginning of the COVID-19 crisis, MANPASAND has been adhering to three guiding principles. First, the health, safety and trust of its people is of paramount importance. Second, MANPASAND does everything it can to safeguard the continuity of its business and protect the appeal of its brands. This includes supporting the business continuity of its customers and suppliers. And, third, MANPASAND offers support to communities that are most impacted by the pandemic.

Significant efforts have been made within MANPASAND to support its employees in doing their jobs safely, by working from home where possible, and applying the standard COVID-19 preventive measures, including physical distancing, personal hygiene and disinfection protocols and providing sufficient personal protective equipment. In addition, to provide some security for MANPASAND employees in these trying times, MANPASAND has committed to not carry out structural lay-offs as a consequence of COVID-19 in 2020.

MANPASAND has supported its on-trade customers across all regions with advice and tools to safely resume operations.

### 4. BACKGROUND AND MATERIAL CHANGES

The Financial year ended 31st March 2020 was heavily disrupted due to various events like regulator action, illegal hostile takeover attempt, liquidity crunch, and employee retrenchments. These events led to incurring of huge operational losses product expiry, scheme support, bad debts, etc. Following are the significant events that took place during the Financial year 2019-20:

- The Company, in FY 2019-20, in its efforts to consolidate its huge dealer – retailer network moved to a chain of large channel partners who

would in turn manage and operate the dealer – retailer network which is a successful model in the industry and in other countries. However the implementation of this model was disrupted by the negative market forces and aggressive competition in the market and claims from the Channel Partner towards damages / expired life which was a result of their inability to timely distribute the products of the Company to the retail Network and maintain the presence of Company products. The Company has evaluated and provided for expected credit losses of Rs. 4968.31 lakhs against Trade Receivables amounting to Rs. 5208.72 lakhs in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country.

- The Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings and even after deposit of the entire amount of ₹ 1,777.36 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of ₹ 2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.
- Between June 2019 to September 2019, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse ₹ 100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of ₹ 100 crores, FFSPL disbursed only ₹ 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. A FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL.
- Due to above events the production and distribution were drastically disturbed, in the period post May 2019. The Company faced a higher attrition of key workforce and management team during these challenging times. Following are some of those:-
  - Mr. Vishal Sood (DIN: 01780814) Non- Executive Director & Non - Independent Director,
  - Mr. Bharat Vyas(DIN: 00043804) Independent Director,
  - Mr. Dhruv Agrawal (DIN- 06896866) Non-Executive Director& Non - Independent Director,
  - Mr. Milind Babar (DIN: 06984063), Independent Director,
  - Mr. Chirag Doshi (DIN: 0008489), Independent Director,
  - Mr. Bhavesh Jingar, Company Secretary,
  - Mr. Vijay Panchal, Vice President - Operations,
  - Mr. Chintan Choksi, Vice President - Sales & Marketing,
  - Mr. Dev Mehta, Head of Strategic Initiatives,
  - Mr. Girish Pandya, Assistant Vice President - Finance, and
  - Ms. Najuk Trivedi, Head - Corporate Communications & Branding.
- The management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth. Further the provisional allotment of Lease hold Land by Odisha Industrial Infrastructure Development Corporation (IDCO) at Khurdha, Odisha has been cancelled vide their order dated 07.09.2019 and refund of ₹ 197.98 lakhs was received from the IDCO authorities dated 16.12.2019 as against the carrying amount, net of provision for expected credit losses, of ₹ 200 lakhs.

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- The Company has also been constructing a new plant at Sricity(Chittoor) in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Company has accordingly made an impairment provision of ₹ 1200 lakhs in relation to such Capital Work in Progress.

## 5. OUTLOOK

The COVID-19 pandemic constitutes a major negative macroeconomic development and as such it is having a significant impact on MANPASAND's markets and on its business in 2020. There is a lack of visibility on the end date of the pandemic and the duration of its impact. Although MANPASAND observes a gradual recovery since September 2020 across most markets, the situation continues to be volatile and uncertain. As a consequence, MANPASAND is only able to share directional information. The COVID-19 outbreak has evolved into a pandemic and has far reaching impact on MANPASAND's people and business. Containment measures such as restrictions of movement for populations and outlet closures, sometimes combined with the mandatory lockdown of production facilities represented the key challenges to the execution of MANPASAND's strategy and have materially affected performance. This resulted in a revenue decline, incremental expenses and impairments being recorded.

Given the unprecedented volatility and uncertainty of the effects of COVID-19, projecting future cash flows for CGUs involves judgement. The

depth and duration of the impact of COVID-19 is uncertain, among others due to potential resurgence of the virus, limitations to operate and adverse effects on disposable income.

Product and channel mix is expected to continue to adversely impact results and as a consequence, input costs are expected to continue to be higher than last year.

MANPASAND has taken mitigating actions and will further intensify its focus on costs, balancing the reduction of discretionary expenses with providing sufficient support behind its brands and route to market.

Significant uncertainty remains on the impact of the COVID-19 pandemic, including risks related to containment measures, supply chain continuity, and macro economic downturn in general.

Given the circumstances, MANPASAND expects to continue to provide incremental disclosures of the material effects of the COVID-19 crisis on MANPASAND's markets and businesses.

Looking ahead, MBL remains committed to the objectives of growth & outperformance. Anticipation of, and adaptation to, market changes never ends. It has become very evident, in current market scenario, to look for opportunities and explore the uncharted territories while strengthening the current hold. MBL views the current shifts & trends including industry consolidation, accelerated cost reduction and the increasing role of lifestyle and social factors that are influencing food purchasing decisions. MBL views these trends as opportunities. MBL has come up with many initiatives in line with the aim to increase the footprint & strengthen the current market hold. MBL believes that these initiatives will foster the growth of the company.

On the domestic front, Southern market is now one of the key focus area of MBL, as it has higher seasonality. The strategy is to add more Channel partners in that zone & strengthen the distribution network. This will ensure additional revenue and market reach. MBL plans to increase the capacity utilization to cater to the new demand from the southern markets.

MBL is focused more than ever on strengthening channel partners to drive growth. MBL has planned out a "Channel Development Strategy" to help our Channel Partners to outperform themselves. As a part of this strategy, various initiatives will be taken to make the entire chain robust & dense.

## 6. OPPORTUNITIES AND THREATS

The Company's main threat is competition from multinational giants and local entrepreneur who are also engaged in beverages industry. The change in taste of consumers gives opportunities to the Company to grow further.

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## 7. DIVIDEND

Your Directors have not recommended dividend for the financial year ended 31st March, 2020 due to loss during the year.

The Company is, in compliance with Regulation 43 (A) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 has adopted the Dividend Distribution Policy. The same has been uploaded on the Company's Website and available at the link <http://manpasand.co.in/wp-content/uploads/IR/Dividend-Distribution-Policy.pdf> and the said policy is attached as "Annexure - 1" to this Report.

## 8. SHARE CAPITAL AND SUSPENSION OF SECURITIES

The Company's paid up equity share capital continues to stand at ₹. 114.46 Crs. as on 31st March, 2020. During the year, the Company has not issued any securities.

The trading of the securities of the Company were suspended by the Stock Exchange via. letter dated December 09, 2019 w.e.f. December 12, 2019 due to non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015. The Company has clear intension to run the business and continue to be listed its securities on the Stock Exchanges to regain the trust of the stakeholders of the Company. The Company is under process of revocation of suspension its securities.

## 9. DEPOSIT

During the year, the Company has not accepted any deposit as contemplated in the Companies Act, 2013 and Rules framed thereunder.

## 10. PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN, INVESTMENTS MADE AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of Loans, Guarantees and Investments covered under provisions of section 186 of the Act, if any, are given in the notes to the Financial Statements.

## 11. BOARD MEETINGS

During the year, 14 (Fourteen) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

## 12. DIRECTORS

Director liable to retire by rotation

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Abhishek Singh (DIN: 01326637), Director of the Company retires by rotation and is eligible for re-appointment.

### Resignation of Directors

During FY 2019-20, Mr. Vishal Sood (DIN: 01780814) Non- Executive & Non – Independent Director, Mr. Bharat Vyas (DIN: 00043804) Independent Director, Mr. Dhruv Agrawal (DIN- 06896866) Non-Executive & Non – Independent Director, Mr. Milind Babar (DIN: 06984063), Independent Director, and Mr. Chirag Doshi (DIN: 0008489), Independent Director have tendered their resignation. These resignations were primarily due to the GST proceedings against the Company and its top officials during the month of May 2019.

### Appointment and Cession of Directors

During FY 2019-20, Mr. Jitendra Dhivare (DIN - 08502079), Mr. Bipin Rathod (DIN - 06845495) and Mr. Uday Kamath (DIN – 07079399) were appointed as Additional Independent Directors of the Company.

Your Directors would like to inform you that the designation of Mr. Jitendra Dhivare (DIN - 08502079), Mr. Bipin Rathod (DIN - 06845495) and Mr. Uday Kamath (DIN - 07079399) in the Company should have been as Nominee Directors (Directly/Indirectly – Interested/Concerned in M/s. Finquest Financial Solutions Private Limited) of the Company.

Subsequently, they resigned from the post as directors of the Company on 30th September 2019.

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During FY 2019-20, the Board at its Board Meeting held on 9th October, 2019 had appointed Mr. Nishish Mobar (DIN 08582046) as Independent Directors of the Company, whose appointment was confirmed by the shareholder at 8th AGM held on 30th December, 2019. Further, the Board also appointed Mr. Vimal Patel (DIN 08656473) and Mr. Kaushal Ameta (DIN 02143786) as Additional Independent Directors on the Board of the Company w.e.f. 3rd January, 2020, the Shareholders accorded their assent for their appointment on 25th November, 2020, via Postal Ballot.

During the current year, the Board has appointed Ms. Shikha Jain (DIN 08087342) as Additional Independent Director on the Board of the Company w.e.f. 9th July, 2020, whose appointment was confirmed by the Shareholder on 25th November, 2020 via Postal Ballot.

The said Directors have given their consent for appointment and they confirmed that their status as Independent director. All Independent Directors have given their declaration that they meet the criteria for independence as laid down under Section 149(6) of the Act, and regulation 16(1)(b) of the Listing Regulations.

Rejection of Special Resolutions by the shareholders at 8th Annual General Meeting of the Company held on December 30, 2019 in respect of re-appointment of Mr. Dharendra Singh as Managing Director, Mr. Abhishek Singh as Whole time Director and Ms. Bharti Naik as Independent Director on the Board of the Company. As a result, the Company also didn't pay any remuneration to Mr. Dharendra Singh and Mr. Abhishek Singh for the period from 01.09.2019 to 30.12.2019.

The Board at its Board Meeting held on 3rd January, 2020 appointed Mr. Dharendra Singh as Managing Director and Mr. Abhishek Singh as Whole Time Director w.e.f. 3rd January, 2020 subject to the approval of shareholders. The Shareholder also confirmed the said appointment on 25th November, 2020 via, Postal Ballot.

#### **Board Evaluation**

The Nomination and Remuneration Committee of the Board constituted under Section 178 of the Companies Act, 2013 has been made responsible for carrying out evaluation of every Director's performance. The Board has also evaluated its own performances, its committees and all individual Directors (i.e. both Independent and Non Independent) considering attendance, contribution at the Meetings and otherwise, adherence of Code of Conduct and Business ethics, monitoring of regulatory compliances etc. All the Directors of the Company are found to be persons of having sound knowledge and vast experience in their respective areas and their association with the Company is considered to be beneficial to the Company.

#### **Appointment and Cession of Key Managerial Personal**

Mr. Bhavesh Jingar, Company Secretary resigned from the post of Company Secretary cum Compliance officer w.e.f. 30.05.2019.

Ms. Shallika Soni, Manager Legal was appointed as Company Secretary cum Compliance officer of the Company w.e.f. 06.09.2019 and she resigned from the said post w.e.f. 10.09.2019.

On 26.10.2019, Mr. Bhavesh Jingar, was appointed as Company Secretary cum Compliance officer of the Company.

The following are the Key Managerial Personnel of the Company in terms of the provisions of the Act read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as on March 31, 2020:

- Mr. Dharendra Singh, Managing Director
- Mr. Abhishek Singh, Whole Time Director
- Mr. Paresh Thakkar, Chief Financial Officer
- Mr. Bhavesh Jingar, Company Secretary (w.e.f. 26-10-2019)

### **13. DIRECTOR'S RESPONSIBILITY STATEMENT**

As required under the provisions of Section 134 (5) of the Companies Act, 2013, your directors report that:

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- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgement 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### 14. REPORT ON CORPORATE GOVERNANCE

In compliance with Regulation 34 of the Listing Regulations read with Schedule V thereto, the Corporate Governance Report of your Company for the financial year ended March 31, 2020 is annexed as "Annexure – 2".

#### 15. NOMINATION & REMUNERATION POLICY

Nomination & Remuneration Policy is adopted by the Company in compliance with the Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the said policy is uploaded on the Company website at the link <http://manpasand.co.in/wp-content/uploads/IR/Nomination-and-Remuneration-Policy.pdf>.

#### 16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Details of composition of CSR Committee and other relevant details have been provided in the Corporate Governance Report. The Annual Report on CSR activities is appended as "Annexure – 3" to this Report. The policy of CSR is uploaded on website at the link <http://manpasand.co.in/wp-content/uploads/IR/CSR-POLICY.pdf>.

#### 17. PERSONNEL

Disclosure under Section 197 (12) and Rules 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

The information required to be disclosed in the Boards' Report pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out as "Annexure – 4" to this report.

#### 18. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Manpasand Products Private Limited (MPPL)

The Company has wholly owned subsidiary Company i.e. Manpasand Products Private Limited (MPPL), in which the Company is holding 9,999 equity shares of ₹. 10/- each. MPPL did not start its business activity as on 31st March, 2020.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014 (as amended), a statement containing the salient features of Financial Statements of the aforesaid Subsidiaries (including highlights of their performance and contribution to the overall performance of the Company) has been provided in Form AOC-1 which is attached as "Annexure -5"

#### 19. AUDITORS

##### A. STATUTORY AUDITOR

M/s. Mehra Goel & Co., Chartered Accountants, New Delhi, (FRN:- 000517N) were re-appointed as Statutory Auditors of the Company at the 7th Annual General Meeting held on 13th September, 2018 to hold the office till the conclusion of the 12th Annual General Meeting of the Company.

Due to search and seizure proceeding initiated by Goods and Services Tax authorities and it's firms policies and procedures in respect of client evaluation, they tendered their resignation as Statutory Auditor of the Company w.e.f. 04.07.2019 which resulted in casual vacancy of statutory auditor.

The Company to fill the casual vacancy of Statutory Auditor, appointed M/s. Batliboi & Purohit, Chartered Accountants, Mumbai, at its Board Meeting held on 02.08.2019, upto the conclusion of forthcoming Annual General Meeting of the Company w.e.f. 02.08.2019 subject to the approval of the shareholders. However the said firm tendered their resignation due to its firm has a policy of re-evaluation of client and considering the recent development of ongoing litigation amongst the Board of Directors and subsequent resignation of the directors along with Company Secretary, they tendered their resignation before getting consent of shareholders.

To fill this casual vacancy, the Company at its Board Meeting held on 26.10.2019, has appointed M/s. Bagaria & Co., LLP Chartered Accountants, Mumbai as Statutory Auditors of the Company w.e.f. 26.10.2019, subject to approval of shareholders, who shall hold office till the conclusion of the ensuing Annual General Meeting of the Company. The Board after the recommendation of Audit Committee recommended their re-appointment for the period of 5 years. They have confirmed their eligibility under Section 139 of the Companies Act, 2013 and the Rules framed thereunder as Statutory Auditors of the Company. The approval of shareholders in this regard obtained by the Company at its 8th Annual General Meeting held on December 30, 2019.



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The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing Annual General Meeting and a note in respect of same has been included in the Notice for this Annual General Meeting.

There is no qualification or adverse remarks or disclaimers made by the auditors in their report on the financial statement of the Company for the financial year ended on 31st March, 2020.

#### **B. INTERNAL AUDITORS**

The Board of Directors appointed M/s. Kailash Chand Jain & Co., Chartered Accountant, Mumbai, as Internal Auditors as well as IFC Auditors of the Company for the F.Y. 2019-20.

#### **C. SECRETARIAL AUDIT**

Mr. Niraj Trivedi, Company Secretary in Practice, has been appointed to undertake the Secretarial Auditor of the Company pursuant to the provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI Listing Regulations as amended. The Report of the Secretarial Auditor is annexed to the Board's Report as Annexure - 6.

The observation of the Secretarial Auditors in its report is mainly due to, during the financial year after search and seizure proceeding from GST department, all the members of Board except promoter directors' resigned as directors including Company Secretary. New Directors appointed by Finquest were not interested in running the company including compliant to the compliances. As a result majority non-compliances under Companies Act, 2013, SEBI (LODR) 2015, were during the period from May to September 2019. No Sooner, the promoter directors took the charge in the month of October 2019, the Company started complying with the all the requirements. The Board has taken serious view of the same and ensure that the Company will comply with all the applicable Act, Rules, Regulations etc..

#### **D. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including rules made thereunder.

#### **20. SIGNIFICANT AND MATERIAL ORDER IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the Financial year, No Significant and Material order was passed by any authority during the year under review impacting the going concern status and Company's operation in future.

#### **21. DISCLOSURE**

We confirm that, during the financial year, the Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India.

#### **22. RISK MANAGEMENT**

The Company has established Risk Management Policy. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Company has also constituted Risk Management Committee to review risk. Under this, risks are identified across all business processes of the Company on annual basis. Once identified, these risks are systematically categorized as strategic risks, business risks or reporting risks and the same is intimated to the concerned department for mitigating the risk.

#### **23. INTERNAL CONTROL SYSTEM**

The Company's internal control procedure which includes internal financial controls, ensure compliance with various policies, practices and statutes and in keeping in view with the organization's pace of growth and increasing complexity of operations. The internal auditors team carries out extensive audits throughout the year across all functional areas and submits its reports to the Audit Committee.

#### **24. WHISTLE BLOWER POLICY / VIGIL MECHANISM**

In terms of provisions of Section 177 of the Act and Rules framed thereunder read with Regulation 22 of the Listing Regulations, your Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organization can be raised. A Vigil Mechanism Committee under the Chairmanship of the Audit Committee Chairman is also in place. The Whistle Blower Policy has been uploaded on the website of the Company at <http://manpasand.co.in/wp-content/uploads/IR/Whistle-blower-Policy.pdf>

#### **25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Information in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo is given as "Annexure - 7."

#### **26. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTY**

During the year under review, your Company did not enter into any Related Party Transaction which requires prior approval of the Members. Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, therefore, details required to be provided in the prescribed Form AOC - 2 are not applicable to the Company.

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## 27. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return in the prescribed format i.e. Form MGT-9 pursuant to the provisions of Section 92 of the Companies Act, 2013 read with its Rules 12 of the Companies (Management and Administration) Rules, 2014 is appended as "Annexure - 8".

## 28. REPORT ON THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013.

In terms of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 we report that, during 2019-20, no complaint has been received under the said Act.

## 29. MAINTENANCE OF COST RECORDS

Maintenance of cost records is not prescribed for the activities/products manufactured by the Company; hence the matters relating to the maintenance of cost records are not applicable.

## 30. DEVELOPMENT OF HUMAN RESOURCE/ INDUSTRIAL RELATIONS

During the financial year, the Company had cordial relations with staff, workers and officers. The Company continuously monitors its Human Resources requirements to ensure that it has adequate human skills commensurate with its needs. The Company has taken initiative for safety of employees and implemented regular safety audit, imparted machine safety training, wearing protective equipment etc.

Our success is build on the strength of many – from the dedicated men and women who worked at Manpasand, to our suppliers, loyal customer and consumers, to our community stakeholders- and we extend our sincere thanks to all of you. Our leadership team and Board are energized and excited about the year ahead. We have successfully established a highly competitive cost structure and have the brands, market shares and growth strategies to deliver strong financial growth. We look forward to rewarding our shareholders with the benefits from many years of investment and change.

## 31. ACKNOWLEDGEMENT

The Directors acknowledge the support receive by the Company from the Central and State Government Ministries and Departments, shareholders, customers, business associates, bankers, employees, trade unions and all other stakeholders.

## 32. CAUTIONARY STATEMENT

Certain statements made in this Report relating to Company's objectives, projections, outlook, expectations, estimates etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, Government regulations and taxation, natural calamity etc. over which the Company does not have any direct control.

**By Order of Board of Directors of  
Manpasand Beverages Limited**

Place: Vadodara  
Date: December 09, 2020

**Dhirendra Singh**  
Chairman & Managing Director  
(DIN:- 00626056)

## ANNEXURE – 1 | DIVIDEND DISTRIBUTION POLICY

### 1. BACKGROUND AND APPLICABILITY

The Dividend Distribution Policy is being adopted and published in compliance with SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016. The SEBI vide this notification dated July 8, 2016 introduced a new regulation 43A which prescribed that the top five hundred (500) listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual report and on their website.

The regulation further prescribed that, the dividend distribution policy shall include the following parameters;

- The circumstances under which their shareholders can or cannot expect dividend;
- The financial parameters that will be considered while declaring dividends;
- Internal and external factors that would be considered for declaration of dividend;
- Policy as to how the retained earnings will be utilized.
- Provisions in regard to various classes of shares.

When the company proposes to declare dividend on the basis of parameters other than what is mentioned in such policy or proposes to change its dividend distribution policy, the same along with the rationale shall be disclosed in its Annual Report and on its website.

The Board of Directors ("Board") of Manpasand Beverages Limited ("Company") has adopted this Dividend Distribution Policy to comply with these requirements.

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## 2. DIVIDEND

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

## 3. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY EXPECT DIVIDEND

The Board will assess the Company's financial requirements, including present and future growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

In case the Board proposes not to distribute the profit; the ground thereof and information on utilisation of the undistributed profit, if any, shall be disclosed to the shareholders in the Annual General Meeting of the Company.

## 4. INTERIM AND FINAL DIVIDEND

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

## 5. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND:

- Plough back of Profits i.e. future capital expenditure programme including:
  - New Project
  - Expansion of Capacities of existing units
  - Renovations/ Modernisation
  - Acquisition of brands/business
  - Major Repairs and Maintenance etc.
- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company and Payout ratios of comparable companies.
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

## 6. UTILISATION OF RETAINED EARNINGS

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

## 7. PROVISIONS IN REGARD TO VARIOUS CLASSES OF SHARES

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

## 8. MODIFICATION OF THE POLICY

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013 and SEBI Regulations, etc.

## 9. DISCLAIMER

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

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## ANNEXURE - 2 | CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. Your Company believes that good Corporate Governance is essential to achieve long-term corporate goals, enhance shareholders' value and attain highest level of transparency. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders.

### 2. BOARD OF DIRECTORS

The Composition of the Board of the Company is in compliance with the provision of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. As at the end of the financial year 31st March, 2020, the Board comprises of the following:

Category	No. of Directors	% of total strength of the Board
Non-Executive and Independent Director	3	60.00
Executive Directors	2	40.00
<b>Total.....</b>	<b>5</b>	<b>100.00</b>

The names and categories, inter personal relationship of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting (AGM), the number of Directorships in other Companies and Committee membership / chairpersonship held by them are given below:

Sr. No.	Name of Directors	Category of Directors attended	No. of Board Meeting attended	Whether last AGM attended	Other Directorship held	No. of Committee/ Membership/ Chairmanship in other Companies as at the year end#	No. of shares held in the Company.
1	Mr. Dharendra Singh	Promoter-Executive Director	14 out of 14	Yes	2	Nil	5,07,30,000
2	Mr. Abhishek Singh	Executive Director	10 out of 14	Yes	2	Nil	5,000
3	Ms. Bharti Naik (Ceased w.e.f. December 30, 2019)	Non-Executive & Independent Director	11 out of 11	Yes	1	--	--
4	Mr. Jitendra Dhivare (appointed w.e.f. July 11, 2019 and Ceased w.e.f. September 30, 2019)	Non-Executive & Independent Director	2 out of 3	NA	--	--	--
5	Mr. Bipin Rathod (appointed w.e.f. July 11, 2019 and Ceased w.e.f. September 30, 2019)	Non-Executive & Independent Director	2 out of 3	NA	--	--	--
6	Mr. Uday Kamath (appointed w.e.f. August, 02, 2019 & Ceased w.e.f. September 30, 2019)	Non-Executive & Independent Director	1 out of 2	NA	--	--	--
7	Mr. Nishish Mobar (appointed w.e.f. October 09, 2019)	Non-Executive & Independent Director	9 out of 9	Yes	--	Nil	200
8	Mr. Vimal Patel (appointed w.e.f. January 3, 2020)	Non-Executive & Independent Director	2 out of 2	NA	--	Nil	2000
9	Mr. Kaushal Ameta (appointed w.e.f. January 3, 2020)	Non-Executive & Independent Director	1 out of 2	NA	04	02	--

# excludes Directorship held on Private Limited Companies, Foreign Companies and Section 8 Companies.

None of the present directors of the Company, named above, are directors of any other listed entities except Mr. Kaushal Ameta who is an Independent Director in Atharv Enterprises Limited.

None of the director of the Company are inter-se related except Mr. Dharendra Singh (Chairman & Managing Director) and Mr. Abhishek Singh (Whole Time Director), who are related to each other.

During the year, no familiarization programme for Independent Director was organized, as majority information as and when required by the Independent Director were provided on need to basis. Further, Annual report, Financial Results, Company's information regarding its product, all plants, plant visit etc. are explained by Managing Director of the Company. The Independent Directors fulfills the conditions specified regulation as mentioned in the SEBI (LODR), 2015 and are Independent to the Management.

The details of following directors are not mentioned in above table as they didn't attend any meeting during the year and resigned.

Mr. Vishal Sood – Non Executive & Non Independent Director – ceased w.e.f. May 24, 2019

Mr. Bharat Vyas – Independent Director – ceased w.e.f. May 26, 2019

Mr. Dhruv Agrawal - Non Executive & Non Independent Director – ceased w.e.f. May 26, 2019

Mr. Milind Babar – Independent Director – ceased w.e.f. May 27, 2019

Mr. Chirag Doshi – Independent Director – ceased w.e.f. May 29, 2019.

The above directors resigned from the post of directorship mainly due to GST search and seizure proceeding at various premises of the Company, there is no other material reason to resign from the post of directorship.

**Matrix setting out the skills/expertise/competence of the board of directors:**

Sr. No.	Name of Directors	Core skills / Expertise / Competencies
1	Mr. Dharendra Singh	<ul style="list-style-type: none"> <li>- Entrepreneurship and Leadership</li> <li>- Financial Management</li> <li>- Business acumen</li> <li>- Organization Management</li> <li>- Communication and Negotiation</li> <li>- Marketing &amp; Sales</li> <li>- Planning &amp; Strategic Development</li> <li>- Project Management</li> <li>- Corporate Governance &amp; Compliance</li> <li>- Banking, Treasury</li> <li>- Risk Management</li> </ul>
2	Mr. Abhishek Singh	<ul style="list-style-type: none"> <li>- Entrepreneurship and Leadership</li> <li>- Financial Management</li> <li>- Business acumen</li> <li>- Organization Management</li> <li>- Communication and Negotiation</li> <li>- Marketing &amp; Sales</li> <li>- Planning &amp; Strategic Development</li> <li>- Project Management</li> <li>- Corporate Governance &amp; Compliance</li> <li>- Banking, Treasury</li> <li>- Human Resources, Administration and Inter Personal Management</li> <li>- Risk Management</li> </ul>
3	Mr. Nishish Mobar	<ul style="list-style-type: none"> <li>- Organization Management</li> <li>- Knowledge on Internal Control Mechanism</li> <li>- Human Resources, Administration and Inter Personal Management</li> <li>- Finance Management</li> </ul>
4	Mr. Kaushal Ameta	<ul style="list-style-type: none"> <li>- Knowledge in legislations and processes of laws</li> <li>- Financial Management</li> <li>- Corporate Governance &amp; Compliance</li> </ul>
5	Mr. Vimal Patel	<ul style="list-style-type: none"> <li>- Human Resources, Administration and Inter Personal Management</li> <li>- Finance Management</li> <li>- Knowledge on Internal Control Mechanism</li> </ul>

### MEETING OF BOARD OF DIRECTORS

During the year 2019-20, 14 (Fourteen) Board Meetings were held viz. 11.07.2019, 02.08.2019, 06.09.2019, 12.09.2019, 09.10.2019, 26.10.2019 (Two Meetings), 05.12.2019, 07.12.2019, 19.12.2019, 27.12.2019, 03.01.2020 (Two Meeting) and 14.02.2020.

There was a gap of 149 days between two consecutive Board Meetings. The last Board Meeting for the FY 2018-19 was held on 12.02.2019 and then, subsequent Board Meeting for FY 2019-20 was held on 11.07.2019. The Company on 22.05.2019 declared the date of Board Meeting, for adoption of financial result for the year ended 31.03.2019, on May 28, 2019, but due to GST search at various premises of the Company on May 23, 2019, majority directors of the Company resigned from directorship, as a result the meeting was not possible.

Other than this, there was no instance of gap between two consecutive Board Meetings never exceeds 120 days.

### 3. AUDIT COMMITTEE

The Board has constituted Audit Committee. Majority members of the Committee are Non-Executive and Independent Directors. They possess sound knowledge in finance and accounts. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. They have attended majority Audit Committee Meetings held during the year at which the financial statements have been placed for review. The Chief Financial Officer of the Company also attend the meeting of the Committee. The Company Secretary acts as Secretary to the Committee.

The scope of the functions and broad terms of reference of the Audit Committee are commensurate with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. It includes review of the reports and performance of Internal Auditors, actions taken by concerned departments on report of internal auditors, review of outstanding position, review of the Corporate Budget, review of the Cost Audit Report with the Cost Auditors, review of the Quarterly and Annual Financial Results with the Statutory Auditors, review of adequacy of internal control system and procedures with the Internal Auditors, evaluation of financial controls and risk management system including functioning of whistle blower mechanism, approval of the related party transaction and recommendation of the same for necessary approval, recommendation of appointment of statutory Auditors, Cost Auditors and Internal Auditors for approval of the Board.

During the Financial Year 2019-20, 06 (Six) meetings of the Audit Committee were held viz., 02.08.2019, 26.10.2019, 05.12.2019, 19.12.2019, 27.12.2019 and 14.02.2020.

The attendance of each member of the Audit Committee is given below:

(Period from 02.08.2019 to 30.09.2019)

Name of Director	No. of Meeting held	No. of meeting attended
Mr. Bipin Rathod - Chairman	01	01
Ms. Bharti Naik	01	01
Mr. Uday Kamath	01	01

(Period from 26.10.2019 to 30.12.2019)

Name of Director	No. of Meeting held	No. of meeting attended
Mr. Nishish Mobar - Chairman	04	04
Ms. Bharti Naik	04	04
Mr. Dharendra Singh	04	04

(Period from 03.01.2020)

Name of Director	No. of Meeting held	No. of meeting attended
Mr. Nishish Mobar - Chairman	01	01
Mr. Kaushal Ameta	01	01
Mr. Dharendra Singh	01	01
Mr. Vimal Patel	01	01

### 4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee are in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2019-20, 3 (Three) meetings of the Nomination & Remuneration Committee were held viz., 26.10.2019, 05.12.2019 and 03.01.2020.

The Company has adopted performance evaluation policy for evaluating the performance of the Directors. The said policy is uploaded on website at the link <http://manpasand.co.in/wp-content/uploads/IR/Evaluation%20Policy.pdf>.

The role of Nomination and Remuneration Committee would includes following:

1. to formulate the criteria for determining qualifications, positive attributes and independence of a Director and to recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel (KMP) and other employees;
2. to formulate criteria for evaluation of Directors including Independent Directors and the Board;
3. to devise a policy on Board diversity;
4. to identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down;
5. to recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel; and to extend or continue the term of appointment of Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. recommend to the board, all remuneration, in whatever form, payable to senior management.

The attendance of each member of the NRC Committee is given below:

(Period from 26.10.2019 to 30.12.2019)

Name of Director	No. of Meeting held	No. of meeting attended
Mr. Nishish Mobar	02	02
Ms. Bharti Naik – Chairperson	02	02
Mr. Dharendra Singh	02	02

(Period from 03.01.2020)

Name of Director	No. of Meeting held	No. of meeting attended
Mr. Nishish Mobar - Chairman	01	01
Mr. Kaushal Ameta	01	00
Mr. Dharendra Singh	01	01
Mr. Vimal Patel	01	01

## 5. REMUNERATION OF DIRECTORS

The details of remuneration paid during the F.Y. 2019-20 to Executive Directors and Non- Executive Directors are as under;

Name of Directors	Remuneration Paid (Inclusive all allowances and perquisites)	Excess Remuneration details
Mr. Dharendra Singh Managing Director	80.00 Lakhs	The Company was required to recover the excess remuneration paid to Mr. Dharendra Singh, as Managing Director for F.Y. 2018-19 amounting to ₹ 126.00 Lakhs.  The excess remuneration amounting to ₹ 126.00 Lakhs has been settled, to the extent thereof, against the loan provided extended by him to the Company during the period.
Mr. Abhishek Singh Whole Time Director	80.00 Lakhs	The Company was required to recover the excess remuneration paid to Mr. Abhishek Singh, as Whole Time Director for the F.Y. 2018-19 amounting to ₹ 26.00 Lakhs.  Given the said requirement, the excess remuneration amounting to ₹ 26.00 Lakhs has been settled, to the extent thereof, against the outstanding remuneration due to him for the FY 2020-21

No sitting fees have been paid to Independent Directors of the Company during the FY 2019-20. There were no pecuniary relationship with non-executive directors vis-a vis the listed entity.

In accordance with the provisions of Section 178 (3) of the Companies Act, 2013, the Board has adopted the policy on Nomination and Remuneration of Directors. The web link for the said policy is <http://manpasand.co.in/wp-content/uploads/IR/Nomination-and-Remuneration-Policy.pdf>

## 6. STAKEHOLDERS GRIEVANCE COMMITTEE

As required under Section 178 (5) of the Companies Act, 2013, the Company has constituted Stakeholders Grievance Committee. Mr. Kaushal Ameta is the Chairman of the Committee. Mr. Dharendra Singh, Mr. Nishish Mobar and Mr. Vimal Patel are the members of this committee.

Mr. Bhavesh Jingar, Company Secretary is the Compliance Officer of the Company and also acts as Secretary to the Committee.  
 During the Financial Year 2019-20, 01 (One) meeting of the Stakeholders' Grievance Committee was held on 14.02.2020.  
 The Details of Investors Complaints, handled by the Company and its Registrar & Share Transfer Agent, during the year, are as under;

Nature of Complaints	Pending as on April 1, 2019	Received during the year	Resolved during the year	Pending as on March 31, 2020
Non Receipt of Annual Report	0	30	30	0
Non Receipt of Refund orders	0	0	0	0
Dematerialization/ Rematerialisation of Shares	0	0	0	0
Non Receipt of DUP/Transmission/Deletion	0	0	0	0
Non Receipt of Share Certificate	0	0	0	0
Non Receipt of Dividend/Warrant	0	5	5	0
Score/SEBI	0	1	1	0
<b>Total.....</b>	<b>0</b>	<b>36</b>	<b>36</b>	<b>0</b>

#### 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135 (1) of the Companies Act, 2013, the Board has constituted Corporate Social Responsibility (CSR) Committee. Mr. Nishish Mobar is the Chairperson of the Committee and Mr. Dharendra Singh, Mr. Vimal Patel and Mr. Kaushal Ameta are members of this committee.

During the Financial Year, 01 (One) meeting was held on 14.02.2020 and the same was attended by all the members of the committee.

#### 8. INDEPENDENT DIRECTORS MEETING

Independent Directors meeting was held on 14.02.2020 without the presence of the Managing Director, Whole Time Director, other directors and the Management representatives. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent directors to discuss matters pertaining to review the performance of non-Independent Directors, Board as a whole, Chairperson etc.

#### 9. GENERAL BODY MEETING

Details of Annual General Meetings held during preceding three years are as under;

AGM	Year	Venue	Date	Time
8th	2018-19	S. No. 1768 & 1774/1, Manjusar Village, Savli, Vadodara - 391775	30th December, 2019#	12.30 PM
7th	2017-18	S. No. 1768 & 1774/1, Manjusar Village, Savli, Vadodara - 391775	13th September, 2018	12.30 PM.
6th	2016-17	S. No. 1768 & 1774/1, Manjusar Village, Savli, Vadodara - 391775	25th August, 2017	12.30 PM.

# the Company had made application for extension of time for holding Annual General meeting to Registrar of Companies (ROC) and ROC after considered the application allowed the Company to hold Annual General Meeting on or before 30th December, 2019.

Details of Special Resolutions passed by the Company during the previous three Annual General Meeting;

Years	Details of Special Resolutions
2018-19	Following Special Resolutions were proposed by the Company which were rejected by shareholders of the Company; <ul style="list-style-type: none"> <li>- Re-Appoint Mr. Dharendra Singh (DIN: 00626056) as Managing Director of the Company</li> <li>- To Re-Appoint Mr. Abhishek Singh (DIN: 01326637) as Whole Time Director of the Company</li> <li>- To Re-Appoint Ms. Bharti Naik (DIN: 06627217) as an Independent Director</li> <li>- Waiver of Recovery of Excess Managerial Remuneration paid to Mr. Dharendra Singh, Managing Director of the Company for the Financial Year ended 31st March, 2019.</li> <li>- Waiver of Recovery of Excess Managerial Remuneration paid to Mr. Abhishek Singh, Whole Time Director of the Company for the Financial Year ended 31st March, 2019.</li> </ul>
2017-18	- No Special Resolution was passed during this Financial Year.
2016-17	<ul style="list-style-type: none"> <li>- Increase in remuneration of Mr. Dharendra Singh, Chairman &amp; Managing Director of the Company</li> <li>- Increase in remuneration of Mr. Abhishek Singh, Whole Time Director of the Company</li> </ul>



#### Postal Ballot

During the year under review, no resolution was passed through Postal Ballot.

No special resolution is proposed to be conducted through Postal Ballot and if conducted proper notice will be given in compliance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, no Extraordinary General Meeting was conducted.

#### 10. MEANS OF COMMUNICATION

The Quarterly, Half yearly, Yearly financial results of the Company are sent to the Stock Exchanges immediately after the same are approved by the Board. These are published in the Business Standard and Loksatta Newspapers.

These results are simultaneously posted on the website of the Company at [www.manpasand.co.in](http://www.manpasand.co.in) and also uploaded on the website of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

The Official press release and presentation made to institutional investors/analyst, are available on the Company's website [www.manpasand.co.in](http://www.manpasand.co.in)

#### 11. GENERAL SHAREHOLDERS INFORMATION

##### a) Annual General Meeting

**Day & Date: - Thursday, December 31, 2020**

**Time: - 04.00 P.M**

#Venue: - Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

# Pursuant to MCA/ SEBI Circulars. For details please refer to the Notice to the AGM.

##### b) Financial Year

April 1, 2019 to March 31, 2020

##### c) Dividend Payment Date

If dividend declared, the dividend will be paid within the stipulated period after its declaration by the members at the AGM.

Dividend on equity shares when declared will be paid after the AGM to those shareholders whose names stand in the Company's Register of Members on relevant dates of record date/book closure. In respect of shares held in electronic form/demat, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose.

##### d) The name & address of the each stock exchanges at which the listed entity's securities are listed and a confirmation about payment of annual listing fees of such stock exchanges;

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

Name of the Stock Exchanges	Stock Code/Symbol
<b>BSE Limited</b> PhirozeJeejeebhoy Towers, Dalal Street, Mumbai - 400 001	<b>539207</b>
<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	<b>MANPASAND</b>

##### Listing Fees Confirmation

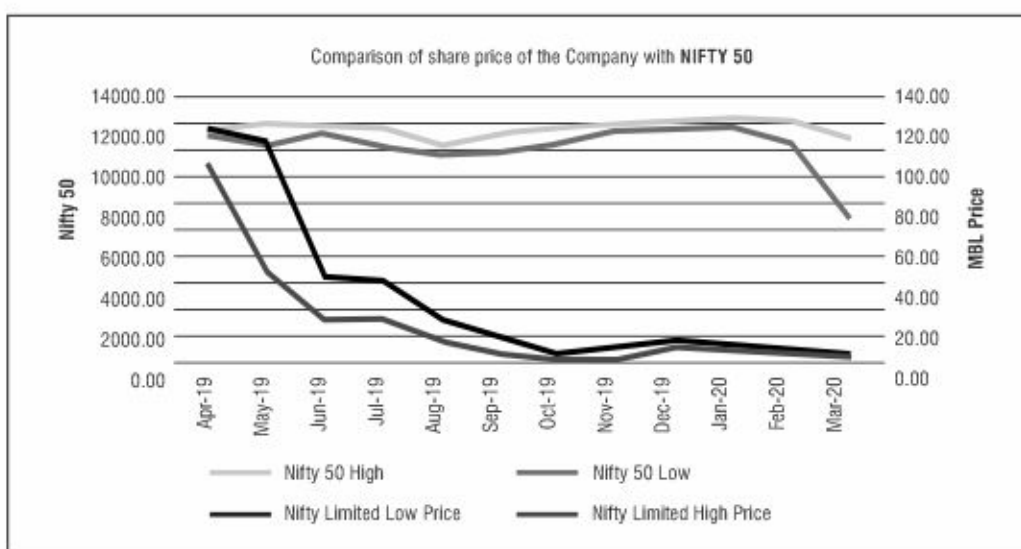
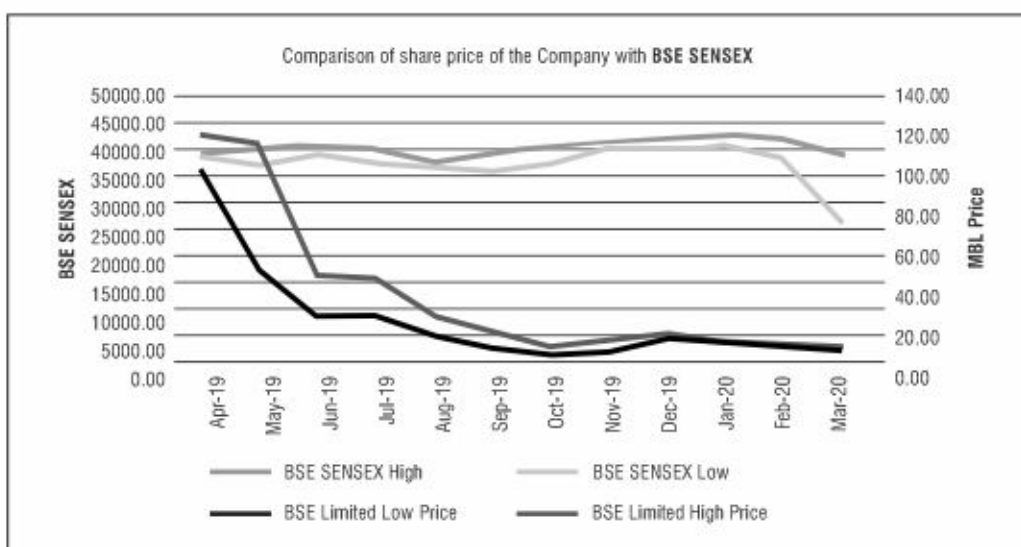
The Company has paid annual listing fees for the F.Y. 2020-21 to National Stock Exchange of India Limited and did not pay listing fees to BSE Limited.

##### e) Market Price Data and performance in comparison

###### MARKET PRICE DATA – BSE & NSE

Months	BSE Limited		BSE SENSEX		NSE Limited		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
Apr-19	128.50	107.90	39487.45	38460.25	128.50	108.00	11856.15	11549.10
May-19	122.90	51.40	40124.96	36956.10	121.45	51.45	12041.15	11108.30
Jun-19	48.85	25.30	40312.07	38870.96	48.90	25.30	12103.05	11625.10
Jul-19	47.00	25.25	40032.41	37128.26	46.40	25.25	11981.75	10999.40

Months	BSE Limited		BSE SENSEX		NSE Limited		Nifty 50	
	High	Low	High	Low	High	Low	High	Low
Aug-19	25.20	14.50	37807.55	36102.35	25.60	14.50	11181.45	10637.15
Sep-19	16.85	7.50	39441.12	35987.80	16.95	7.45	11694.85	10670.25
Oct-19	8.21	4.06	40392.22	37415.83	8.10	4.20	11945.00	11090.15
Nov-19	11.70	4.70	41163.79	40014.23	11.40	4.80	12158.80	11802.65
Dec-19	14.91	11.97	41809.96	40135.37	14.40	11.80	12293.90	11832.30
Jan-20	11.38	9.77	42273.87	40476.55	11.25	9.70	12430.50	11929.60
Feb-20	9.29	7.98	41709.30	38219.97	9.25	8.00	12246.70	11175.05
Mar-20	7.59	6.20	39083.17	25638.90	7.60	6.30	11433.00	7511.10



f) The Securities of the Company are suspended for trading and the reason for suspend of securities are mentioned at Board' Report.

**g) REGISTRAR AND TRANSFER AGENT**

**KFin Technologies Private Limited**

(Formerly known as "Karvy Fintech Private Limited")

Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad -500032

Phone: 040-67162222 Fax:040-23001153

E-mail: rajeev.kr@kfintech.com, Website: https://www.kfintech.com

Ph: +91 40 6716 2222, 3321 1000

SEBI Registration No. INR000000221.

**h) SHARE TRANSFER SYSTEM**

Transfer of equity shares in dematerialized form are done through depositories without involvement of the Company. With regard to transfer of equity shares in physical form, the share transfer instruments, received in physical form, are processed by R&T Agent, KFin Technologies Private Limited and the share certificate are dispatched within a period of 15 days from the date of receipt thereafter subject to the documents being complete and valid in all respect.

**i) DISTRIBUTION OF SHAREHOLDING**

The shareholding distribution of the equity shares as on 31st March, 2020 is given below:-

Shareholding of Nominal Value of Rs. 10/-	No. of cases	Amount	% of Amount
0001 - 5000	40607	48118280	4.20
5001 - 10000	3485	27918830	2.44
10001 - 15000	1171	14850790	1.30
15001 - 20000	868	16264970	1.42
20001 - 25000	341	7837960	0.68
25001 - 30000	366	10535170	0.92
30001 - 35000	170	5597060	0.49
35001 - 40000	183	7101130	0.62
40001 - 45000	80	3430860	0.30
45001 - 50000	204	10073870	0.88
50001 and above	940	992895040	86.74
<b>Total.....</b>	<b>48415</b>	<b>1144623960</b>	<b>100.00</b>

**j) Dematerialization of Shares and liquidity**

The Breakup of equity shares held in dematerialized form as on 31st March, 2020 are as under

Particulars	No. of Shares	Percentage
NSDL	48113124	42.03%
CDSL	66349064	57.97%
Physical	208	0.00%
<b>Total.....</b>	<b>11,44,62,396</b>	<b>100.00</b>

**k) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:- NOT APPLICABLE**

**l) Commodity price risk or foreign exchange risk and hedging activities:- NOT APPLICABLE**

**m) PLANTS LOCATION**

Sr. No.	Locations of our Manufacturing Plants
1	E-93 & 94, Manjusar G.I.D.C., Savli Road, Vadodara-391776, Gujarat.
2	A/7 & A/8, Agropark, Karkhiyaon, Varanasi, Uttar Pradesh.
3	Charba, Vikas Nagar, Dehradun, Uttarakhand.
4	1768 & 1774/1, Village Manjusar, Tal. Savli Vadodara. Gujarat – 391775.
5	Plot No. 122-125, Sector – II, SAHA Industrial Estate, Ambala, Haryana.
6	Survey No. 1769, Village Manuser, Tal. Savli, Vadodara. Gujarat – 391775.
7	Plot No. G-1 & G-2, Karkhiyaon Industrial area, UPSIDC, Varanasi, Uttar Pradesh.
8	2755, Peepul Boulevard, Sri City, Cheruvu Village, SatyaveduMandal, Chittoor District, Andhara Pradesh – 517588.

n) **ADDRESS FOR CORRESPONDENCE**

**Registered Office;**

Survey Number 1768 & 1774/1, Manjusar

Village, Savli, Vadodara, Gujarat – 391775.

Ph. No. +91 84699 09000, +91 90994 42000

Email Id:- info@manpasand.co.in

Website:- www.manpasand.co.in

E-62, Manjusar G.I.D.C.,

Savli Road, Vadodara – 391776

o) **List of credit ratings and revision.**

The Company has received updated credit rating from Infomerics Valuation and Rating Private Limited. The weblink for such credit rating is <http://manpasand.co.in/wp-content/uploads/IR/Credit%20Rating.pdf>

12. **OTHER DISCLOSURES**

A. **Disclosure on materially significant related party transaction, that may have potential conflict with the interest of the Company at large:**

None of the transactions with any of the related parties were in potential conflict with the interest of the Company at large.

B. **Details of non-compliance by the Company, penalties, strictures imposed by the stock exchanges/ SEBI or any statutory authority, on matter related to capital markets, during the last three years :-**

The Company has paid following penalties imposed by the both Stock Exchanges in last three years.

Sr. No.	Non Compliance details	Penalty imposed by	Amount of Penalty
1	Reg. 33 of SEBI (LODR) 2015 – For the F.Y. 2016-17	BSE Limited and National Stock Exchange of India Limited	70,000/-
2	Reg. 33 of SEBI (LODR) 2015 – For the F.Y. 2017-18	BSE Limited and National Stock Exchange of India Limited	15,15,856/-
3	Reg. 33 of SEBI (LODR) 2015 – for the FY 2018-19	BSE Limited and National Stock Exchange of India Limited	15,50,600/-

C. **Whistle Blower Policy:**

In accordance with the requirement of the Act, read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Company has framed a Whistle Blower Policy which has been approved by the Board of the Company. The said Whistle Blower Policy is available on web-link\*<http://manpasand.co.in/wp-content/uploads/IR/Whistle-blower-Policy.pdf>.

The Company affirms that no personnel has been denied to access to the Audit Committee pursuant to the whistle blower policy.

D. The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Corporate Governance. Regarding Non- mandatory requirements, the same will be adopted by the Company in due course of time.

E. **Web link where policy for determining "material" subsidiaries is disclosed:-** The Company does not have any material subsidiary as at 31st March, 2020.

F. **Web link where policy on dealing with the related party transactions:** The Company has adopted policy on related party transactions and the same has been hosted on Company's website. The web link of policy \*<http://manpasand.co.in/wp-content/uploads/IR/Related-Party-Transaction-Policy.pdf>."

G. **Disclosure of commodity price risks and commodity hedging and commodity hedging activities –** The Company is not engaged in hedging activities.

H. **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) :- Not Applicable**

I. **Certificate from a Practising Company Secretaries:**

The Company has received a certificate from CS Niraj Trivedi, Practising Company Secretaries confirming that none of the Directors on the Board of the Company 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 statutory authority.

J. **Instances of not accepting any recommendation of the Committee by the Board:**

There was no such instance where Board had not accepted any recommendation of any committee of the Board whether mandatorily required or not, in the relevant financial year.

K. **Fees to the Statutory Auditors of the Company**

The total fees for all services paid to the Statutory Auditors of the Company is mentioned at Notes to Financial Statements. The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

L. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:-** No Compliant was received during the year.

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13. There has been no instance of non-compliance of any requirements of Corporate Governance Report of paras (2) to (10) of Schedule V (C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
14. **Adoption of Non Mandatory Requirements**
1. **The Board**  
A Non-Executive Chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties :- Not Applicable, as the Chairperson of the Company is Executive Director.
2. **Shareholder Rights**  
Quarterly / Half yearly financial results are forwarded to the Stock Exchanges and being upload on the website of the Company.
3. **Modified opinion in Audit report**  
During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statement.
4. **Reporting of Internal Auditor**  
The Internal Auditor of the Company reports to the Audit Committee.
15. The Company has complied with the applicable requirement specified in Reg. 17 to 27 and Reg. 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015.
16. Disclosure with respect to demat suspense account/unclaimed suspense account:- NOT APPLICABLE

**CERTIFICATE UNDER SCHEDULE V(C)(10)(I) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), 2015**

To  
The Board of Director  
Manpasand Beverages Limited  
Vadodara.

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2020 and that to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For Manpasand Beverages Limited**

**Mr. Dharendra Singh**  
**Chairman & Managing Director**  
**DIN:- 00626056**

**For Manpasand Beverages Limited**

**Mr. Paresh Thakkar**  
**Chief Financial Officer**

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

In terms of the requirement of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, this is to confirm that all the members of the Board and the senior Management personnel have affirmed compliance with the Code of Conduct for the year ended as on 31st March, 2020.

**By order of the Board of Directors of**  
**Manpasand Beverages Limited**

**Mr. Dharendra Singh**  
**Chairman & Managing Director**  
**DIN :- 00626056**

Place : Vadodara  
Date: December 09, 2020

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## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to the 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  
**MANPASAND BEVERAGES LIMITED**  
(CIN: L15549GJ2010PLC063283)  
1768 & 1774 Paiki – 1,  
Village Manjusar, Tal. Savli,  
Vadodara – 391 775.

Dear Sir / Madam,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Manpasand Beverages Limited**, CIN: L15549GJ2010PLC063283, having Registered Office at 1768 & 1774 Paiki – 1, Village Manjusar, Tal. Savli, Vadodara – 391 775 (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34 (3) read with Schedule V, Para – C, Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (Including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) warranted due to the spread of the COVID – 19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020, have been debarred or disqualified from being appointed or continuing as the Directors of the Companies, by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such other Statutory Authority:-

Sr. No.	Name of the Directors	DIN	Date of Appointment in the Company
1	Mr. Dharendra Hansraj Singh	00626056	17/12/2010
2	Mr. Abhishek Dharendra Singh	01326637	17/12/2010
3	Mr. Nishish Mobar	08582046	09/10/2019
4	Mr. Kaushal Ameta	02143786	03/01/2020
5	Mr. Vimal Ravjibhai Patel	08656473	03/01/2020

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 the basis of 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.

**SIGNATURE** :  
**NAME OF PCS** : **NIRAJ TRIVEDI**  
**FCS** : **3844**  
**C. P. NO.:** **3123**  
**UDIN** : **F003844B001450564**

Place : Vadodara  
Date : December 09, 2020

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## CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to the Regulation 34 (3) and Schedule V Para E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**MANPASAND BEVERAGES LIMITED**  
(CIN: L15549GJ2010PLC063283)  
1768 & 1774 Paiki – 1,  
Village Manjusar, Tal. Savli,  
Vadodara – 391775.

Dear Sir / Madam,

We have examined the compliance of the conditions of Corporate Governance by M/s. Manpasand Beverages Limited, CIN: L15549GJ2010PLC063283, having Registered Office situated at 1768 & 1774 Paiki – 1, Village Manjusar, Tal. Savli, Vadodara – 391775 (hereinafter referred to as "the Company"), for the Financial Year ended on 31st March, 2020, as stipulated in the Regulation 15 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, collectively referred to as "SEBI (LODR), 2015".

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to 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 an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, 2015, except as mentioned hereunder:-

- 1. Failure to have minimum number of Independent Directors during the period from 30.05.2019 to 09.10.2019 as required under the Regulation 17 (1) (a) of SEBI (LODR), 2015.*
- 2. The Company did not have any woman director on the Board during the period from 31.12.2019 to 31.03.2020 as required under the Regulation 17 (1) (a) of SEBI (LODR), 2015.*
- 3. The Company did not have minimum 6 directors on the Board, for period from 26.05.2019 to 11.07.2019 and also for period from 30.09.2019 to 31.03.2020, as required under the Regulation 17 (1) (c) being a Listed Entity within top 1000 entities on the basis of Market Capitalization as on 31st March, 2019.*
- 4. Time gap between two Board Meetings and Audit Committee Meetings were more than 120 days. Dates of two Board Meetings are 12.02.2019 and 11.07.2019 and dates of Audit Committee Meetings are 12.02.2019 and 02.08.2019.*
- 5. The Company was not having prescribed number of minimum 1/3 or 3 Directors at the Meeting held on 11.07.2019 as quorum, being a Listed Entity within Top 1000 entities on the basis of Market Capitalization as on 31st March, 2019 under the Regulation 17 (2A) of SEBI (LODR), 2015.*
- 6. Composition of Audit Committee, Nomination and Remuneration Committee, Shareholders Relationship Committee, during the period 30.05.2019 to 09.10.2019, was not in compliance under the Regulation 18 (1), 19 (1) & 20 of SEBI (LODR), 2015.*
- 7. The Company did not comply with requirement of detailed programmes to be imparted to the Independent Directors as required under the Regulation 25 (8) of SEBI (LODR), 2015 and also dissemination of the same on its website under Regulation 46 (2) (i) of SEBI (LODR), 2015.*
- 8. Board of Directors have not reviewed periodically in its Board Meeting the Compliance Report on corporate governance under the Regulation 27 of SEBI (LODR), 2015.*
- 9. Certain filings, certifications, etc. required under SEBI (LODR), 2015 to be signed by the Compliance Officer / CEO were signed by the Chairman-cum-Managing Director, due to not having Compliance Officer / CEO, namely:-*
  - i. Compliance certificate for the half year ended Sept 2019 under the Regulation 7 (3) of SEBI (LODR), 2015.*
  - ii. Quarterly compliance report on corporate governance under the Regulation 27 (2) (c) of SEBI (LODR), 2015, for the quarter ended June and September 2019.*
- 10. The Company has not taken into consideration certain mandatory businesses which are required to be transacted at the Meeting of the Board and Committees as are mentioned in the SEBI (LODR) Regulations, 2015.*

We state that as per the records maintained, no investor complaint / grievances against the Company are pending for a period exceeding one month before the Stakeholders' Relationship cum Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Vadodara  
Date: December 09, 2020

**NIRAJ TRIVEDI**  
**PRACTICING COMPANY SECRETARY**  
**C. P. No.: 3123**  
**P. R. NO.: 499/2016**  
**UDIN: F003844B001450542**

## ANNEXURE – 3 | ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013 and the same is available on web-link of the Company.

2. **The Composition of the CSR Committee as on 31.03.2020:**

Mr. Nishish Mobar - Chairman of the Committee  
 Mr. Dharendra Singh - Member  
 Mr. Vimal Patel – Member  
 Mr. Kaushal Ameta - Member

3. **Average net profit of the Company for last three financial year:**

Average net profit: - ₹ (40,893.76) Lakhs

4. **Prescribed CSR expenditure (two percentage of the amount as in item 3 above):** Not Applicable.

5. **Details of CSR spend for the Financial year**

- a) Total amount spent for the financial year ₹ Nil  
 b) Amount unspent :- Nil  
 c) Manner in which the amount spent during the financial year :- Not Applicable

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial year or any part thereof, the Company shall provide the reason for not spending the amount in Board's Report :-**

The Company has faced various obstacles to run its business due to Good and Services Tax (GST) Search and seizure proceeding and attempt of Hostile takeover of the Company by Finquest. After the above events, majority of Directors, Key managerial Personals and Statutory Auditors of the Company had tendered their resignations.

Due to above significant events, the Company on December 07, 2019 had declared its audited financial result for the F.Y. 2018-19 wherein the Company had to undergo significant loss and had to face critical financial condition during the year. Further, two percent of the average net profit of the Company for the last three years i.e. for the F.Y. 2016-17, 2017-18 and 2018-19 comes in negative.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.**

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company.

**Mr. Nishish Mobar**  
 Chairman – CSR Committee

**Mr. Dharendra Singh**  
 Chairman & Managing Director

## ANNEXURE – 4

### Disclosure under Section 197 (12) and Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of Remuneration of each director to the median remuneration of the employee of the Company for the financial year ended 31st March, 2020.

Sr. No.	Name of Director	Remuneration (₹ in Lakhs)	Ratio
1	Mr. Dharendra Singh	80.00	48:01
2	Mr. Abhishek Singh	80.00	48:01



2. The Percentage increase in remuneration of each Directors, CFO, Company Secretary in the financial year ended 31st March, 2020:- During the FY 2019-20, No increment was declared by the Management of the Company
3. Percentage increase in median remuneration of employees in the financial year: During the year, no increment in salary was declared by the Company.
4. The number of employees employed including manager and workers as on 31st March, 2020: Permanent employees 262.
5. Average percentile increase made in the salaries of employees other than the Managerial personnel in the Last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof: Not Applicable, as no increment was announced by the Company.
6. Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirm that the remuneration paid is in accordance with the remuneration policy of the Company.

The information required under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members in electronics mode. Shareholders may write to the Company at [complianceofficer@manpasand.co.in](mailto:complianceofficer@manpasand.co.in) in that regard, by mentioning "Request for Inspection" in the subject of the email.

## ANNEXURE – 5 | 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 or associate companies or joint ventures.

### PART "A" : Subsidiaries

Sr. No.	Particulars	Details
1	Name of Subsidiary	MANPASAND PRODUCTS PRIVATE LIMITED (U74999GJ2019PTC107162)
2	The date since when subsidiary was acquired	20.03.2019
3	Reporting period	20.03.2019 to 31.03.2020
4	Reporting currency	In Indian Rupees
5	Share Capital	1,00,000/-
6	Other Equity	(2,50,689)
7	Total Assets	16,691
8	Total Liabilities	1,67,380
9	Investments	-
10	Turnover	-
11	Profit before taxation	(2,50,689)
12	Profit after taxation	(2,50,689)
13	Other comprehensive Income	(2,50,689)
14	Total comprehensive income	(2,50,689)
15	Proposed Dividend	-
16	% of Shareholding	100 %

### PART B :- Associates and Joint Ventures

The Company has no associate company and joint venture, therefore Part B relating to associate companies and joint ventures is not applicable.

**Mr. Dharendra Singh**  
Managing Director  
(DIN - 00626056)

**On the behalf of The Board of Directors  
of Manpasand Beverages Limited**

**Mr. Abhishek Singh**  
Whole Time Director  
(DIN - 01326637)

## ANNEXURE – 6 | SECRETARIAL AUDIT REPORT

### FORM MR - 3

#### FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members  
**MANPASAND BEVERAGES LIMITED**  
**CIN: L15549GJ2010PLC063283**  
1798 & 1774, Patki – 1,  
Village – Manjusar,  
Vadodara – 391 750.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Manpasand Beverages Limited ("the Company"). The 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 electronic verification (in view of COVID-19 advisories) 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 the Secretarial Audit and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) warranted due to the spread of the COVID – 19 pandemic, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 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, 2020 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);
- (iv) Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (including any statutory modification (s) or re-enactments (s) thereof, for the time being in force):-
  - (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 – Not applicable during the Audit Period.
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not applicable during the Audit Period.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -Not applicable 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, 2009 – Not applicable during the Audit Period;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not applicable during the Audit Period;
  - (i) Other applicable Laws:- We have relied on the representation made by the Company and its officers for systems and mechanism framed by the company for compliances under other applicable acts, laws and regulations as mentioned below excluding GST and Income Tax.
    - i. Food Safety and Standards Act, 2006;
    - ii. The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
    - iii. The Factories Act, 1948;
    - iv. The Minimum Wages Act, 1948
    - v. The Sexual Harassment of Women at Workplace (P D & R) Act, 2013

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We have also examined compliance with the applicable clauses of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered by the Company with BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR); and
- (iii) SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018, namely Non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Standard Operating Procedure for suspension and revocation of trading of specified securities.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above subject to the following observations:

**a) Under the Companies Act, 2013, Rules framed thereunder are :**

1. Section 177(178) : - Non-Composition of Audit Committee and Nomination & Remuneration Committee for the period from 30.05.2019 to 09.10.2019.
2. Section 149(1) : - Not having one woman director on the Board during the period from 31.12.2019 to 31.03.2020.
3. Section 149(4) : - Not having minimum number of Independent Directors during the period from 30.05.2019 to 09.10.2019.
4. Section 173(1) : - Time gap between two Board Meetings and Audit Committee Meetings was more than 120 days. Dates of two board meetings are 12.02.2019 and 11.07.2019. Dates of Audit Committee meetings are 12.02.2019 and 02.08.2019.
5. Some of the Forms were not filed within prescribed time i.e E-form MSMSE, DPT-3 & MGT-14 and hence additional Fees were paid and some forms were filed under Companies Fresh Start Scheme – 2020 subject to grant of immunity certificate.
6. Attendance sheet of two meetings of Board of Directors, have not been signed by the Company Secretary, Statutory Auditors and Independent Directors of the Company.
7. The Board, in its meeting dated 02.08.2019, passed a resolution approving appointment of M/s. Batliboi & Purohit., Chartered Accountants, Mumbai, as Statutory Auditors of the Company to fill the casual vacancy due to resignation of Mehra Goel & Co., Delhi, Auditors, subject to shareholders approval. Before getting the consent of shareholders they also resigned. As a result, the Company appointed M/s. Bagaria & Co. LLP, Mumbai, as statutory auditors of the Company subject to the approval of the shareholders.
8. The Board, in its meeting dated 06.09.2019, passed resolutions approving appointments of Mr. Dharendra Singh as Chairman & Managing Director subject to the approval of the members. The company failed to register the said resolution through MGT-14.
9. The Board, in its meeting dated 11.07.2019, Mr. Jitendra Dhivare and Mr. Bipin Rathod were appointed as an Independent Directors and at the Board Meeting dated 02.08.2019, Mr. Uday Kamath was appointed as an Independent Director. These appointments were without the recommendation of Nomination and Remuneration Committee.
10. Notice of disclosure of Interest in prescribed form MBP-1 and Declarations from Independent Directors were not received and placed before the Board at its first meeting for the financial year 2019-20 held on 11.07.2019.
11. Minutes of the preceding Board Meeting dated 11.07.2019 has not been noted at the Meeting of the Board, dated 02.08.2019 which is held immediately following the date of entry of such Minutes in the Minutes Book.
12. An inspection under Section 206 of the Act was undertaken by the office of Regional Director and observed that the Company has not complied with the requirements of Section 129, 134(3)(h), 158, 177 of the Act, for which Company has submitted reply to RD.
13. The Company has received Adjudication Notice under section 454 of the Act from the office of the Registrar of Companies, Gujarat, for contravention of sections 92(4), 117, 118, 137, 203 of the Act, for which Company has submitted reply to the office of ROC.
14. The Company has not taken into consideration certain mandatory businesses which are required to be transacted at the meeting of the Board and Committees as are mentioned in the Act.

**b) Under SEBI Act, Regulations, Rules, Guidelines, Notifications, Circulars etc. are :**

1. Failure to have minimum number of Independent Directors during the period from 30.05.2019 to 09.10.2019 as required under Regulation 17(1)(a) of LODR.
  2. The Company did not have any woman director on the board during the period from 31.12.2019 to 31.03.2020 as required under Regulation 17(1)(a) of LODR.
  3. The Company did not have minimum 6 directors on the Board, for period from 26.05.2019 to 11.07.2019 and also for period from 30.09.2019 to 31.03.2020, as required under Regulation 17(1)(c) being a listed entity within top 1000 entities on the basis of Market Capitalization as on 31st March 2019.
  4. Time gap between two Board Meetings and Audit Committee Meetings were more than 120 days. Dates of two the board meetings are 12.02.2019 and 11.07.2019. and, dates of Audit Committee meetings are 12.02.2019 and 02.08.2019.
  5. The Company was not having prescribed number of minimum 1/3 or 3 directors at the meeting held on 11.07.2019 as quorum, being a listed entity within top 1000 entities on the basis of Market Capitalization as on 31st March 2019 under Regulation 17(2A) of LODR.
  6. Composition of Audit Committee, Nomination and Remuneration Committee, Shareholders Relationship Committee during the period 30.05.2019 to 09.10.2019 was not in compliance under Regulation 18(1), 19(1) & 20 of LODR.
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7. *The Company did not comply with the requirement of detailed Programmes to be imparted to the Independent Directors as required under Regulation 25(8) of LODR and also dissemination of the same on its website under Regulation 46(2)(i) of LODR.*
8. *Delay in disclosure to the stock exchange beyond 24 hrs. of resignation of Company Secretary namely Mr. Bhavesh Jingar and Ms. Shailika Soni under Regulation 30 of LODR. Such delay was by 40 days and by 06 days respectively.*
9. *Board of Directors have not reviewed periodically in its Board Meeting the Compliance Report on Corporate Governance under Regulation 27 of LODR.*
10. *Delay in submission of Shareholding Pattern for the quarter ended September 2019 by 17 days under Regulation 31 of LODR.*
11. *Delay in submission of Annual or Quarterly Financial Results under Regulation 33 of LODR namely:*
  1. *191 days delay in submission of Annual Audited Financial Results for the year ended on 31st March 2019*
  2. *126 days delay in submission of Quarterly Un-Audited Financial Results for the quarter ended 30-06-19.*
  3. *42 days delay in submission of Quarterly Un-Audited Financial Results for the quarter ended 30.09.2019.*
12. *Delay by 40 days in submission of a certificate from a Practicing Company Secretary for half year ended on 30th September, 2019 under Regulation 40(9) of LODR.*
13. *The Promoters of the Company failed to submit the declaration with Stock exchange under Regulation 9 read with Schedule B of SEBI (Prohibition of Insider Trading) Regulation, 2015 and also with the Company within 7 working days or extended days from the end of financial year 31.03.2020.*
14. *Certain filings, certifications, etc. required under LODR to be signed by the Compliance Officer/CEO were signed by the Chairman-cum-Managing Director, due to not having Compliance Officer/CEO, namely:*
  - 14.1 *Compliance certificate for the half year ended Sept 2019, Regulation 7(3) of LODR.*
  - 14.2 *Quarterly compliance report on Corporate Governance under Regulation. 27(2)(c) of LODR for the quarter ended June and September 2019.*
15. *The Company did not publish notice of Annual General Meeting in newspaper under Regulation 47(1) of the LODR.*
16. *The Promoters of the Company failed to submit the declaration under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 with Stock exchange and with the Company within 7 working days or extended days from the end of financial year ended on 31.03.2020.*
17. *The Company has not taken into consideration certain mandatory businesses which are required to be transacted at the meeting of the Board and Committees as mentioned in LODR.*

**c) Under FEMA**

1. *FLA statement for the FY 19-20 was submitted on 17th August 2020 i.e. delayed by 2 days.*

**Fine/Penalties imposed by Stock Exchanges under SEBI Act, Regulations, Rules, Guidelines, Notification, Circulars on the Company during the audit period:**

1. *BSE and NSE issued letters dated 07.11.2019 and imposed fine of ₹ 37,760/- on the Company for violation of provisions of Regulation 31 of LODR. The Company submitted shareholding pattern with Stock Exchanges on 08.11.2019 i.e. delay of 17 days and also paid fine of ₹ 37,760/- each to both the stock exchanges.*
2. *BSE issued warning letter dated 07.07.2019 for submission of incorrect disclosures in respect of Educational Qualification of Mr. Bipin Rathod, Director of the Company.*
3. *BSE and NSE issued letters dated 31.10.2019 and imposed fine of ₹ 3,71,700/- for non-compliance of Regulation 17, 18 and 19 of LODR till quarter ended September 2019.*
4. *BSE and NSE issued letters dated 17.06.2019 and 30.08.2019 and imposed fine ₹ 15,50,600/- for non-compliances of Regulation 33 of LODR. The Company has paid fine in three tranches i.e. on 05.08.2019, 30.08.2019 and 11.12.2019 to both the Stock Exchanges.*
5. *SEBI has issued vide its caution letter No. SEBI/CFD/CMD1/PR/OW/2019/18785 dated 24th July, 2019, for delay in disclosure of material events as required under the Regulation 30 of LODR and incorrect disclosure of educational qualification of a Director. This caution letter was advised to disseminate to the Stock Exchanges and place the same before the Board in its next Meeting. However, the same has not been placed before the Board in any of the Meetings held during the F.Y 2019-20.*
6. *BSE and NSE vide its letter dated 16.09.2019 has shifted script of the Company to "Z" Category ("BZ" Series) for non-submission of Financial Result with the Stock Exchanges for the year ended on 31.03.2019 and for quarter ended on 30.06.2019.*
7. *BSE and NSE vide their letter dated 09.12.2019 has suspended the trading of securities of the Company for Non submission of Financial Results with the Stock Exchanges.*
8. *BSE and NSE imposed fine of ₹ 84,960/- on the Company through email dated 15.10.2019 for Non submission of Annual Report for the year ended March 2019. Upon detail clarification by the Company, the Company has received withdrawal of the same through emails from both the Stock Exchanges.*
9. *NSE vide its letter dated 13.11.2019 asked (some clarification / information) from the Company to provide information on trading activity of its script.*

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10. *BSE and NSE has frozen shareholdings of Promoters and Promoters group from 27.08.2019 for non-submission of Financial Results for the year ended on 31.03.2019 and for quarter ended on 30.06.2019.*
  11. *SEBI issued summons vide its letter dated 30.07.2019 to Mr. Dharendra Singh (M.D), to furnish documents / records / information etc. for Investigation in Trading activity of certain entities in the scrip of the Company.*

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act. Mr. Jitendra Dhivare, Mr. Bipin Rathod and Mr. Uday Kamath were appointed as Independent Directors, but later, it was observed that as they were directly/ indirectly interested/ concerned with M/s. Finquest Financial Solution Private limited, a company providing financial support to the Company. Later on, it has been realized by the Company about such appointment as a result they resigned from the post as Independent Director w. e. f. 30.09.2019.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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. In some of the instances, the meetings were convened at a shorter notice.

Decisions at the meetings of the Board of Directors of the Company were carried out on the basis of unanimous and / or requisite majority, except at the Board meeting dated 6th Sept., 2019.

We further report that there are not adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that during the audit period, following major events have occurred which deemed to have major bearing on the Company's affairs in pursuance of above referred Laws, Rules, Regulations and Guidelines etc.

1. *In the month of May 2019, the Commissioner of Central GST and Customs had carried out search and seizure proceedings at various premises of the Company and they detained Mr. Abhishek Singh, Director, Mr. Paresh Thakkar – CFO and Mr. Harshvardhan Singh under the judicial Custody of Authority.*
2. *Special Resolutions in respect of re-appointment of Mr. Abhishek Singh as Whole-Time Director and second resolution appointing Mr. Dhirenra Singh as Managing Director of the Company was defeated by the Shareholders at 8th Annual General Meeting of the Company held on 30.12.2019. As a result, they became just directors of the Company.*
3. *Special Resolution in respect of re-appointment of Ms. Bharti Naik as Independent Director of the Company for second term was declined by the Shareholders at 8th Annual General Meeting of the company held on 30.12.2019.*
4. *The Company at its board meeting held on 07.12.2019 and as per the recommendation of Nomination and Remuneration Committee, waived the recovery of excess managerial remuneration paid to Mr. Dharendra Singh, Managing Director & Mr. Abhishek Singh, Whole-Time Director for the financial year ended 31st March, 2019. Same was not approved by the Shareholders at 8th Annual General Meeting. As a result, the excess remuneration is payable to the Company from these two directors. Necessary direction to that effect has also been issued by SEBI to the Company for such recovery.*
5. *Some creditors have moved NCLT against the company under Section 8 of IBC. One application has been moved under section 241 of the Companies Act,*
6. *The Scrip of the company is under suspended category as on date of this report*

**DATE : DECEMBER 09, 2020**  
**PLACE : VADODARA**

**SIGNATURE :**  
**NAME OF PCS : NIRAJ TRIVEDI**  
**C. P. NO. : 3123**  
**P. R. NO. : 1014/2020**  
**UDIN : F003844B001450476**

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.

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## ANNEXURE – A

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To,

The Members  
**MANPASAND BEVERAGES LIMITED**  
**CIN: L15549GJ2010PLC063283**  
1798 & 1774, Patki – 1,  
Village - Manadodara – 391 750.

Our report of even date is to be read along with this letter:-

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

PLACE : VADODARA  
DATE : DECEMBER 09, 2020

**SIGNATURE** :  
**NAME OF PCS** : NIRAJ TRIVEDI  
**C. P. NO.** : 3123  
P. R. NO.:1014/2020  
UDIN:F003844B001450476

## ANNEXURE – 7

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**INFORMATION PURSUANT TO SECTION 134(3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:**

### (A) Conservation of Energy

#### 1. Step taken or impact on conservation of energy

- Installed LED lights in Plant Admin Building.
- Optimization of blowing pressure by interconnection of HP compressor Header.
- Installed condensate recovery system for improving Boiler Efficiency.
- Conveyor Automation with sensor for auto operation of chain conveyor motors and air conveyor blowers which has resulted in significant saving in power usage.

#### 2. The Step taken by the Company for utilizing alternate sources of energy

The Company has planned to install Solar Power Plant.

#### 3. The Capital investment on energy conservation equipment

Above Energy saving equipment cost would be Appx. 50.00 Lakhs.

### (B) Technology Absorption

The Company has always been conscious of the need for conservation of energy and has been sensitive in making progress towards this end. Energy conservation measures have been implemented at all the plants and offices of the Company. Key sources among them being use of bio-fuels in boilers, installation of energy efficient equipment, helped lower the cost of production, besides reduce effluent waste and improve

hygiene condition and productivity. Innovative cost effective measures have been adopted in the construction activity and to be more and more competitive in the prevailing environment. Company has also made continuous efforts towards technology absorption and innovation, which have contributed towards preserving natural resources. These efforts includes improvement in water treatment plants through introduction of RO (Reverse Osmosis) system for DM water, reutilization of waste water from pump seal cooling and RO reject waste-water management. Introduction of water efficient CIP system with recycling water in fruit juice manufacturing have been implemented.

**(C) FOREIGN EXCHANGE EARNING AND OUTGO**

(₹ in Lakhs)

2019-20		2018-19	
Outflow	Inflow	Outflow	Inflow
0.00	0.00	229.06	0.00

**ANNEXURE – 8**

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**FORM NO. MGT – 9**

**I. REGISTRATION AND OTHER DETAILS:-**

<b>CIN</b>	L15549GJ2010PLC063283
<b>Registration Date</b>	17th December, 2010
<b>Name of the Company</b>	Manpasand Beverages Limited
<b>Category/Sub-Category of the Company</b>	Company Limited by Shares/ Indian Non-Government Company
<b>Address of the Registered office and Contact details</b>	1768 & 1774/1, Village Manjusar Tal. Savli Vadodara Gujarat -391 775 Tel. No. :- +91 84699 09000, +91 90994 42000
<b>Whether Listed Company</b>	Yes BSE Limited and, National Stock Exchange of India Limited
<b>Name, Address and Contacts Details of Registrar and Transfer Agent, if any</b>	<b>KFin Technologies Private Limited</b> (Formerly known as "Karvy Fintech Private Limited") Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad -500032 Phone:040-67162222 Fax:040-23001153 E-mail: rajeev.kr@kfintech.com, Website: https://www.kfintech.com Ph : +91 40 6716 2222, 3321 1000 SEBI Registration No. INR000000221.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/Services	% to total turnover of the Company
1	Fruit Drinks	10304	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATES COMPANIES**

Name and Address of the Company	CIN/GLN	Holding / Subsidiary /Associate	% of shares held	Applicable Section
Manpasand Products Private Limited (MPPL)#	U74999GJ2019PTC107162	Subsidiary	100 %	2 (87)

# MPPL did not start its business activity as on 31st March, 2020, as it was incorporated on 20th March, 2019.

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**  
**(i) CATEGORY-WISE SHAREHOLDING**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. PROMOTERS AND PROMOTER GROUP</b>									
<b>(1) Indian</b>									
a) Individual/HUF	50745000	-	50745000	44.33	50745000	-	50745000	44.33	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1)</b>	<b>50745000</b>	<b>0</b>	<b>50745000</b>	<b>44.33</b>	<b>50745000</b>	<b>0</b>	<b>50745000</b>	<b>44.33</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) other-individual	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other....	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>50745000</b>	<b>0</b>	<b>50745000</b>	<b>44.33</b>	<b>50745000</b>	<b>0</b>	<b>50745000</b>	<b>44.33</b>	<b>0.00</b>
<b>SHAREHOLDING OF PROMOTERS A= (A) (1) + (A)(2)</b>									
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	13300270	-	13300270	11.62	6160282	-	6160282	5.38	(6.24)
b) Banks/FI	96385	-	96385	0.08	2808	-	2808	0.00	(0.08)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	10433589	0	10433589	9.12	2799766	0	2799766	2.45	(6.67)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Foreign Bodies Corporate	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1)</b>	<b>23830244</b>	<b>0</b>	<b>23830244</b>	<b>20.82</b>	<b>8962856</b>	<b>0</b>	<b>8962856</b>	<b>7.83</b>	<b>(12.99)</b>
<b>2. Non- Institutions</b>									
<b>a) Bodies Corp.</b>	3092591	0	3092591	2.70	2416435	0	2416435	2.11	(0.59)
<b>b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto ₹ 1 Lakh	10402996	108	10403104	9.09	17746642	208	17746850	15.50	6.42
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	4687023	0	4687023	4.09	12572876	0	12572876	10.98	6.89
c) other (Specify)	-	-	-	-	-	-	-	-	-
NBFCs Registered with RBI	695	0	695	0.00	0	0	0	0	0.00
Non Resident Indians -	1061384	0	1061384	0.93	1437078	0	1437078	1.26	(0.33)
NRI Non – Repatriation	237487	0	237487	0.21	344035	0	344035	0.30	0.09
Clearing Members	282368	0	282368	0.25	114766	0	114766	0.10	(0.15)



Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
Foreign Bodies Corporates	20112000	0	20112000	17.57	20112000	0	20112000	17.57	0.00
Trusts	10500	0	10500	0.01	10500	0	10500	0.01	0.00
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (2)</b>	<b>39887044</b>	<b>108</b>	<b>39887152</b>	<b>34.85</b>	<b>54754332</b>	<b>208</b>	<b>54754540</b>	<b>47.84</b>	<b>12.99</b>
<b>TOTAL PUBLIC SHAREHOLDING B= (B)(1) + (B)(2)</b>	<b>63717288</b>	<b>108</b>	<b>63717396</b>	<b>55.67</b>	<b>63717188</b>	<b>208</b>	<b>63717396</b>	<b>55.67</b>	<b>--</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A+B+C)</b>	<b>114462288</b>	<b>108</b>	<b>114462396</b>	<b>100.00</b>	<b>114462188</b>	<b>208</b>	<b>114462396</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHAREHOLDING OF PROMOTERS/PROMOTER GROUP**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Dhirendra Singh	50730000	44.32	0.00	50730000	44.32	44.32	0.00
<b>Promoter Group</b>								
2	Sushma Singh	5000	0.00	0.00	5000	0.00	0.00	0.00
3	Abhishek D. Singh	5000	0.00	0.00	5000	0.00	0.00	0.00
4	Harshvardhan D. Singh	5000	0.00	0.00	5000	0.00	0.00	0.00
<b>Total.....</b>		<b>50745000</b>	<b>44.33</b>	<b>0.00</b>	<b>50745000</b>	<b>44.33</b>	<b>44.31</b>	<b>0.00</b>

**(iii) CHANGE IN PROMOTER'S SHAREHOLDING**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Date wise increase\ decrease in shareholding during the year		Reason	Cumulative shareholding during the year/ at the end of the yeat	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Dhirendra H. Singh	50730000	44.32	-	-	-	50730000	44.32
2.	Sushma D. Singh	5000	0.00	-	-	-	5000	0.00
3.	Harshvardhan D. Singh	5000	0.00	-	-	-	5000	0.00
4.	Abhishek D. Singh	5000	0.00	-	-	-	5000	0.00

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

Sr. No.	Name of Shareholder's	Shareholding at the beginning of the year		Date wise increase\ decrease in shareholding during the year		Reason	Cumulative shareholding during the year/ at the end of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	SAIF Partners India IV Ltd.	20112000	17.57	-	-	-	20112000	17.57
2.	SBI LARGE & MIDCAP FUND	6182459	5.40	19/04/2019	40177	Sale	6142282	5.37
				24/05/2019	18000	Purchase	6160282	5.38
3.	MOTILAL OSWAL MULTICAP 35 FUND	6035882	5.27	31/05/2019	12779	Sale	6023103	5.26
				02/08/2019	239423	Sale	5783680	5.05
4.	BARON EMERGING MARKETS FUND	3987492	3.48	02/08/2019	126775	Sale	3860717	3.37
5.	NEW HORIZON OPPORTUNITIES MASTER FUND	2568717	2.24	31/05/2019	147976	Sale	2420741	2.11
				07/06/2019	185603	Sale	2235138	1.95
				01/11/2019	1654280	Sale	580858	0.51
6.	ICG Q LIMITED	1722085	1.50	-	-	-	1722085	1.50
7.	MUKUL MAHAVIRPRASAD AGRAWAL	1200000	1.05	10/05/2019	50000	Purchase	1250000	1.09
				31/05/2019	150000	Sale	1100000	0.96
				19/07/2019	400000	Sale	700000	0.61
				26/07/2019	400000	Sale	300000	0.26
				02/08/2019	300000	Sale	300000	0.00
8.	ICICI PRUDENTIAL VALUE FUND - SERIES 17	1081929	0.95	17/05/2019	44	Purchase	1081973	0.95
				24/05/2019	22	Purchase	1081995	0.95
				07/06/2019	338701	Sale	743294	0.65
				14/06/2019	743202	Sale	92	0.00
				28/06/2019	92	Sale	00	0.00
9.	POLUS GLOBAL FUND	551189	0.48	03/05/2019	4000	Sale	547189	0.48
10	LPP I GLOBAL EQUITIES FUND	342375	0.30	02/08/2019	10885	Sale	331490	0.29

(i) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Date wise increase/decrease in shareholding during the year		Reason	Cumulative shareholding during the year/ at the end of the year	
		No. of shares	% of total shares of the Company any				No. of shares	% of total shares of the Company any
1.	Dhirendra H. Singh -Managing Director	50730000	44.32	-	-	-	50730000	44.32
2.	Abhishek Singh - Whole Time Director	5000	0.00	-	-	-	5000	0.00
3.	Paresh Thakkar - Chief Financial Officer	3649	0.00	-	-	-	3649	0.00
4.	Bhavesh Jingar - Company Secretary	02	0.00	-	-	-	02	0.00

**V. INDEBTEDNESS**

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	46.39	0	0	46.39
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>TOTAL (I+II+III)</b>	<b>46.39</b>	<b>0</b>	<b>0</b>	<b>46.39</b>
Change in Indebtedness during the financial year				
Addition	1315.00	2395.98	0	3710.98
Deduction	213.02	632.92	0	845.94
<b>NET CHANGE</b>	<b>1101.98</b>	<b>1763.06</b>	<b>0</b>	<b>2865.04</b>
Indebtedness at the end of the Financial year				
i) Principal Amount	1148.15	1763.06	0	2911.21
ii) Interest due but not paid	0.22	0	0	0.22
iii) Interest accrued but not due	0	0	0	0
<b>TOTAL (I+II+III)</b>	<b>1148.37</b>	<b>1763.06</b>	<b>0</b>	<b>2911.43</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole Time Director and/or Manager**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Dharendra Singh	Mr. Abhishek Singh	
1	Gross Salary a) Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	61.44	65.52	126.96
	b) Value of Perquisites u/s. 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	<b>Stock Option</b>	Nil	Nil	Nil
3	<b>Sweat Equity</b>	Nil	Nil	Nil
4	<b>Commission</b> - As % of Profit - Others, Specify	Nil	Nil	Nil
5	<b>Others, Please Specify</b>	Nil	Nil	Nil
	<b>TOTAL (A)</b>	<b>61.44</b>	<b>65.52</b>	<b>126.96</b>
	<b>Celling as per the Act.</b>	<b>120.00</b>	<b>120.00</b>	<b>240.00</b>

**B. Remuneration to other Directors :-** During the FY 2019-20, no remuneration or Sitting fees paid to other Directors of the Company.**C. Remuneration to Key Managerial personnel other than MD/Manager/WTD**

(₹ in Lakhs)

Sr. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	C.S.	
1	Gross Salary a) Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	20.52	6.85	27.97
	b) Value of Perquisites u/s. 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
	c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
2	<b>Stock Option</b>	Nil	Nil	Nil
3	<b>Sweat Equity</b>	Nil	Nil	Nil
4	<b>Commission</b> - As % of Profit - Others, Specify	Nil	Nil	Nil
5	<b>Others, Please Specify</b>			
	<b>TOTAL</b>	<b>20.52</b>	<b>6.85</b>	<b>27.97</b>

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Penalties/ Punishment/ compounding of offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other officer in default, during the year.

Type	Sections of the Companies Act	Brief Description	Details of penalty/Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made if any
A.	COMPANY				
	Penalty *	-	-	-	-
	Punishment	-	-	-	-
	Compounding	-	-	-	-
B.	DIRECTOR				
	Penalty	-	-	-	-
	Punishment	-	-	-	-
	Compounding	-	-	-	-
C.	OTHER OFFICERS IN DEFAULT				
	Penalty	-	-	-	-
	Punishment	-	-	-	-
	Compounding	-	-	-	-

\*Due to non-compliance of Regulation 17, 18, 19, 31 and 33 as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, , both exchanges inflicted penalty on the Company.

## INDEPENDENT AUDITOR'S REPORT

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To  
**The Members of  
Manpasand Beverages Limited**

### Opinion

#### Report on the Audit of Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Manpasand Beverages Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 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 31st March 2020, its total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit of the standalone 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 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 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:

4. We draw attention to the following matters:
  - a. As explained in Note 41.b to the Statement, the Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody under allegations of falsely claiming of input tax credit. The Company has under protest made payment of Rs. 1,777.36 lakhs as claimed by the CGST authorities under protest to secure bail from judicial custody of its top officials. Till date, the Company has not received any Demand Notice or Show Cause Notice in relation to such proceedings from the CGST authorities.
  - b. As explained in Note 41.c to the Statement, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of Call letter and also transfer of pledged shares which has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench vide its order dated 13th September 2019. Also, FIR have been lodged dated 27th September 2019 with the Vadodara Police and Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.
  - c. As explained in Note 40 to the Statement, the Company has also been constructing a new plant at Sricity in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Company has accordingly made an impairment provision of Rs. 1200 lakhs in relation to such Capital Work in Progress.
  - d. As explained in Note 45 to the Statement, the Management believes that it has considered all possible impacts of COVID-19 and other disrupting events, the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Company has considered internal and external sources of information / indicators up to the date of approval of these standalone financial statements. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

- e. As explained in Note 41 (f) to the Statement, the Company has evaluated and provided for expected credit losses of ₹ 4968.31 lakhs against Trade Receivables amounting to Rs.5208.72 lakhs and written off 6526.92 Lakhs against the expected credit losses of ₹ 117,65.31 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Company is exploring all remedies required to recover these amounts.
- f. As explained in Note 42 to the Statement, the re-appointment of and remuneration paid to Mr. Dharendra Singh (Chairman and Managing Director) and Mr. Abhishek Singh (Whole Time Director) for the period 1st January 2020 to 31st March 2020 is subject to shareholder's approval.
- g. As explained in Note 43 to the Statement, GST searches and investigations were conducted at 3 units of the Company, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 41(d) of the Notes to the Statement has weakened certain established internal controls and record keeping. The Company is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Company and the Company is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
- Our report is not modified in respect of the above matters.

#### Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.

S. No	Key Audit Matter	How the matter was addressed in our audit
1	<b>Impairment of Property, Plant and Equipment.</b>	
	<p>As at March 31, 2020, the carrying amounts of Property Plant and equipment amounted to ₹ 50,030.86 lakhs.</p> <p>As at March 31, 2020, certain Property, plant and equipment ("PP&amp;E") has impairment indicators on account of disturbed operations and financial condition of the Company. The Company performance and prospects have been impacted increasing the risk that the PP&amp;E may be impaired. For cash generation units ("CGU") to which these PP&amp;E belong and contains, the determination of recoverable amount, being the higher of fair value less costs to sell and value in use requires judgment on the part of management in both identifying and then valuing the relevant CGUs. Recoverable amounts are based on management's view of variables, such as future expected revenue, future expected revenue growth rate, gross margins, future cash flow, determination of historical trends, and the most appropriate discount rate, weighted average cost of capital.</p> <p>We focused on this area due to the significance of management judgements adopted in assessing the recoverable amount with regard to the impairment assessment of PP&amp;E of the Company.</p>	<p>We performed the following principal audit procedures in relation to management's assessment of impairment of PP&amp;E:</p> <ol style="list-style-type: none"> <li>Evaluation of design and implementation of the control relating to management's assessment of impairment of PP&amp;E and intangible assets.</li> <li>Tested the operating and effectiveness of controls relating to management's assessment of impairment of PP&amp;E and intangible assets.</li> <li>Evaluated the appropriateness of management's grouping of these PP&amp;E with the relevant CGUs.</li> <li>Compared the input data used in the cash flow forecasts against the historical figures and the business forecasts.</li> </ol>
2	<b>Assessment of Going Concern basis</b>	
	<p>The Company had incurred losses during the previous year and has continued to incur losses during the year, primarily due to disturbed operations, lower volumes, and certain provision for expected credit losses and impairment towards PP&amp;E made by the Company.</p> <p>We focused on this area due to the significance of management judgements adopted in assessing the material uncertainties related to going concern.</p>	<p>We performed the following principal audit procedures in relation to management's assessment of going concern:</p> <ol style="list-style-type: none"> <li>Evaluation of design and implementation of the control relating to management's assessment of going concern.</li> <li>Tested the appropriateness of key assumptions adopted used by the management, including the impact of COVID 19 pandemic on such assumptions, that had most material impact in preparation of the cash flow forecasts.</li> <li>Evaluation of the appropriateness of identification of material uncertainties.</li> </ol>

		<ul style="list-style-type: none"> <li>d. Analyzed and discussed cash flow, profits and other relevant forecasts with management.</li> <li>e. Assessed the sensitivities and stress testing on the future cash flows that management has considered for the going concern assessment.</li> <li>f. Evaluated disclosures in the standalone financial statements for the Material Uncertainty Related to Going Concern and the related compliance with the requirements of the Standards on Auditing and the applicable financial reporting standards.</li> </ul>
<b>3</b>	<b>Expected Credit Losses on Trade Receivables</b>	
	The Company has evaluated and made a provision for expected credit losses on Trade Receivables as explained in Note No. 41.f to the Standalone Financial Statements.	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>a. Evaluating the reasonableness of the management's estimate of the provision made in relation to such Trade Receivables.</li> <li>b. Assessing the key judgements made by the management in relation to such provision in view of the events before and subsequent to balance sheet date as explained in Note No. 41.f to the Standalone Financial Statements.</li> </ul>
<b>4</b>	<b>Evaluation of Uncertain Tax and Regulatory positions</b>	
	<p>Evaluation of uncertain positions related to tax and regulatory matters. The Company has uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters.</p> <p>Refer to Note No. 32 of the Standalone Financial Statements for Contingent Liabilities disclosed in relation to such uncertain tax positions.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>a. Evaluating the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of the provision.</li> <li>b. Obtained details of key uncertain tax and regulatory matters;</li> <li>c. Discussed with appropriate senior management and evaluated the Management's underlying key assumptions in estimating the tax and other provisions;</li> <li>e. Assessed management's estimate of the possible outcome of the assessment proceedings in evaluating management's position on these uncertain tax and regulatory positions.</li> </ul>

#### **Information Other than the Standalone Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and those charged with Governance for the 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the 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 are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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. Pursuant to the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.



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- (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 & Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matters stated in paragraphs (a), (b), (c), (d) and (e) of paragraph 4 above titled 'Emphasis of matter' in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representation received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a Directors in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
- (h) 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, 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. However, the re-appointment of directors is pending shareholders' approval.
- (i) With respect to the matters to be included in the Auditor's report in accordance with the 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:
- The Company has disclosed the impact, if any, of pending litigations as at March 31, 2020 on its financial position in its standalone financial statements - Refer Note No. 32 to the standalone financial statements;
  - The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No:  
113447W/W-100019

**Vinay Somani**  
Partner  
Membership No: 143503  
UDIN : 20143503AAAAIS9437

Place : Mumbai  
Date : 31st July, 2020

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**Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Manpasand Beverages Limited of even date:**

- The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
    - The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
    - According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in Note No. 4 to the Standalone Financial Statements, are held in the name of the Company, except one freehold land having value of ₹ 235.32 lakhs located at Bengaluru being an agricultural land were held in the name of ex-director on behalf of the Company.
  - The inventories has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
  - According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the order is not applicable to the Company.
  - According to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of the investments made.
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- v) In our opinion and according to the information and explanations given to us, during the year the Company has not accepted any deposit from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and relevant rules framed thereunder.
- vi) The maintenance of cost records has not been specified by the Central Government under section 148 (1) of the Companies Act, 2013.
- vii) According to the information and explanations given to us, and based on legal opinion obtained by the Company in respect of statutory dues:
- The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it. However the Company has delayed in depositing with appropriate authorities undisputed statutory dues in relation to provident fund, employees' state insurance, profession tax, tax deducted at source, tax collected at source and goods and service tax (GST).
  - According to the information and explanations given to us, no undisputed amounts payable in respect of employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they become payable. However, undiputed amounts in respect of the following were outstanding as at 31st March, 2020 for a period of more than six months from the date they become payable:

Nature of Statutory Dues	Amount (₹ in Lakhs)
Goods & Service Tax	3,059.46
Tax Deducted at Source	16.00
Provident Fund	44.87
<b>TOTAL</b>	<b>3,120.33</b>

- According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Services tax, Duty of Customs and Duty of Excise which have not been deposited on account of any dispute. Dues of Goods and Services Tax amounting to ₹ 1777.36 lakhs claimed by the authorities as a result of the search and investigation proceedings conducted has been deposited by the Company under Protest. Particulars of Income Tax, Central Sales Tax and Value Added Tax which have not been deposited on account of any dispute are as follows:

₹ in Lakhs

Name of the Statute	Nature of Dues	Forum where dispute is pending	Amount	Amount paid under protest	Period to which amount relates
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	3.87	NIL	AY 2013-14
			538.99	140.00	AY 2014-15
			944.05	NIL	AY 2015-16
Central Sales Tax Act, 1956 and Gujarat Value Added Tax, 2003	Sales Tax	Assistant Commissioner of Sales Tax	15.29	15.29#	FY 2010-11
			136.00	136.00#	FY 2011-12
			26.93	NIL	FY 2012-13
			28.43	NIL	FY 2013-14
Goods & Service Tax Act.	GST	CGST Authorities	1,777.62	1,777.36	Upto the date of search proceedings

#The Sales Tax authorities had attached the bank account and has withdrawn ₹ 151.29 against the already ongoing appeal proceedings initiated by the Company. Accordingly, the Company has considered such amounts to have been paid under protest.

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of borrowings to Banks. The Company did not have borrowings from financial institution or Government or any debentures issued / outstanding at any time during the year.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company for the purposes for which they were raised.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) The Company has paid / provided managerial remuneration to its directors as per the Schedule V of the Companies Act, 2013. However the directors re-appointment is pending shareholders' approval.
- xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly reporting under paragraph 3 (xii) of the Order is not applicable.

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- xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv) The Company has not made any preferential allotment of shares or fully or partly convertible debentures. Accordingly reporting under paragraph 3 (xiv) of the Order is not applicable.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them under Section 192 of the Act. Accordingly reporting under paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly reporting under paragraph 3(xvi) of the Order is not applicable.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No:  
113447W/W-100019

**Vinay Somani**  
Partner  
Membership No: 143503  
UDIN : 20143503AAAAIS9437

Place : Mumbai  
Date : 31st July, 2020

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**Annexure "B" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Manpasand Beverages Limited of even date:**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Manpasand Beverages Limited ("the Company") as of March 31, 2020 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 Board of Directors of the Company 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 component 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 Act.

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

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

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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 entity are being made only in accordance with authorizations of management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion:**

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the said Guidance Note issued by ICAI.

#### **Emphasis of matter:**

Attention is drawn to:

Internal control system for financial reporting w.r.t. Confirmations, reconciliations and adjustments of accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices which are pending (read with Note No. 44 to the standalone financial statements) and further this read with other matters stated under heading "Emphasis of Matters" in our report, may potentially have material impact on the standalone financial statements.

Place : Mumbai  
Date : 31st July, 2020

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No:  
113447W/W-100019

**Vinay Somani**  
Partner  
Membership No: 143503  
UDIN : 20143503AAAIS9437

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020**

PARTICULARS	Note	₹ in Lakhs	₹ in Lakhs
		As at 31-Mar-20	As at 31-Mar-19
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	50,030.86	59,089.74
(b) Right of Use Assets		1,772.62	1,793.98
(c) Capital work-in-progress	4	624.89	1,637.74
(d) Intangible assets	4	4.51	7.94
Intangible assets under development		87.18	80.58
(e) Financial assets			
(i) Investments	8	1.00	-
(ii) Other financial assets	13	249.62	2,231.71
(f) Income tax assets (net)	20	1,510.41	1,507.33
(g) Deferred tax assets (net)	5	3,001.91	3,184.04
(h) Other non-current assets	6	7.41	31.63
<b>Total Non-current assets</b>		<b>57,290.41</b>	<b>69,564.69</b>
<b>Current assets</b>			
(a) Inventories	7	917.83	2,850.04
(b) Financial assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	240.41	5,736.99
(iii) Cash and cash equivalents	10	23.79	37.37
(iv) Other Balances with Banks	11	54.03	8,563.96
(v) Loans	12	10.43	5.59
(vi) Other financial assets	13	163.59	289.34
(c) Other current assets	6	3,804.97	2,160.00
<b>Total current assets</b>		<b>5,215.05</b>	<b>19,643.29</b>
<b>Total Assets</b>		<b>62,505.46</b>	<b>89,207.98</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	11,446.24	11,446.24
(b) Other equity	15	34,339.22	53,343.82
<b>Total Equity</b>		<b>45,785.46</b>	<b>64,790.06</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	2,894.08	31.80
(b) Provisions	17	17.56	35.91
<b>Total non-current liabilities</b>		<b>2,911.64</b>	<b>67.71</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	(0.05)	10,298.02
(ii) Trade payables	18		
Total Outstanding Dues of Micro and small enterprises		-	-
Total Outstanding Dues of Creditors other than Micro and small enterprises		7,541.39	7,883.68
(iii) Other financial liabilities	19	779.57	677.67
(b) Provisions	17	1.59	5.73
(c) Current Tax Liabilities (net)	20	-	-
(d) Other current liabilities	21	5,485.86	5,485.11
<b>Total current liabilities</b>		<b>13,808.36</b>	<b>24,350.21</b>
<b>Total Equity and Liabilities</b>		<b>62,505.46</b>	<b>89,207.98</b>

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See accompanying notes forming part of the financial statements

**In terms of our report attached**

**For Bagaria & Co. LLP**  
Chartered Accountants  
**FRN: 113447W/W-100019**

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

**For and on behalf of Board of Directors**

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Paresh Thakkar**  
Chief Financial Officer  
Place : Vadodara  
Date: 31st July, 2020

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Bhavesh Jingar**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2020**

PARTICULARS	Note	₹ in Lakhs	₹ in Lakhs
		For the year ended on 31-Mar-20	For the year ended on 31-Mar-19
<b>INCOME</b>			
Revenue from operations	22	4,082.92	63,607.84
Other income	23	248.31	1,345.17
<b>TOTAL INCOME</b>		<b>4,331.23</b>	<b>64,953.01</b>
<b>EXPENSES</b>			
Cost of materials consumed	24	2,572.59	51,480.65
Purchases of stock-in-trade	25	-	736.12
Changes in inventories of finished goods and stock-in-trade	26	965.73	3,461.78
Employee benefits expense	27	1,275.46	2,804.83
Finance costs	28	192.87	1,288.08
Depreciation and amortisation expense	4	8,580.98	10,142.41
Other expenses	29	2,958.89	15,709.84
<b>TOTAL EXPENSES</b>		<b>16,546.52</b>	<b>85,623.71</b>
<b>PROFIT BEFORE TAX</b>		<b>(12,215.29)</b>	<b>(20,670.70)</b>
<b>Exceptional Items</b>		<b>6,668.31</b>	<b>38,687.64</b>
<b>TAX EXPENSE</b>	31		
Current tax		0.01	-
Minimum alternate tax credit entitlement		-	-
Deferred tax		-	(206.93)
Current Tax pertaining to prior years		159.95	35.51
		159.96	(171.42)
<b>PROFIT FOR THE YEAR</b>		<b>(19,043.56)</b>	<b>(59,186.92)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of the defined benefit plans		61.14	21.32
Income tax relating to items that will not be reclassified to statement of profit and loss			
Remeasurement of the defined benefit plans		(22.18)	(7.45)
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX</b>		<b>38.96</b>	<b>13.87</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(19,004.60)</b>	<b>(59,173.05)</b>
<b>Earnings per Equity Share</b>			
Basic	36	(16.64)	(51.71)
Diluted		(16.64)	(51.71)

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See accompanying notes forming part of the financial statements

**In terms of our report attached**

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

**For and on behalf of Board of Directors**

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Paresh Thakkar**  
Chief Financial Officer  
Place : Vadodara  
Date: 31st July, 2020

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Bhavesh Jingar**  
Company Secretary



**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31ST MARCH, 2020**

PARTICULARS	₹ in Lakhs	₹ in Lakhs
	For the year ended on 31-Mar-20	For the year ended on 31-Mar-19
<b>(A) Cash Flows From Operating Activities</b>		
<b>Net Profit before Tax</b>	<b>(12,215.29)</b>	<b>(20,670.70)</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	8,580.98	10,142.41
Finance costs	192.87	1,288.08
Interest income	(33.05)	(1,131.16)
Loss on disposal of property plant and equipment	-	-
Net (gain)/ loss on sale of investment	-	-
Net (gain)/ loss on financial liabilities designated as at fair value through profit or loss	-	(106.70)
<b>Operating Profit before working capital changes</b>	<b>(3,474.49)</b>	<b>(10,478.07)</b>
Movements in working capital:		
(Increase) in Trade receivables and other financial and non financial assets	3,740.19	8,642.60
Decrease/ (increase) in Inventories	1,932.21	6,720.08
Increase in Trade Payables, provisions and other financial and non financial liabilities	(325.07)	5,445.77
<b>Cash Generated From Operations</b>	<b>1,872.84</b>	<b>10,330.38</b>
Income taxes paid	-	(1,350.00)
<b>Net cash (used)/ generated by operating activities</b>	<b>1,872.84</b>	<b>8,980.38</b>
Add/(Less) : Exceptional Item	(6,668.31)	(38,687.64)
<b>Net cash (used)/ generated by operating activities after exceptional items</b>	<b>(4,795.47)</b>	<b>(29,707.26)</b>
<b>(B) Cash Flows From Investing Activities</b>		
Payments for property, plant and equipment	1,638.90	15,792.36
Payments for intangible assets	(6.60)	(80.58)
Purchase of investments	(1.00)	4,176.65
Interest Received	157.80	1,199.64
Bank deposits including Margin Money deposits (with original maturity more than 3 months)	10,618.69	9,749.48
<b>Net cash (used in) investing activities</b>	<b>12,407.79</b>	<b>30,837.55</b>
<b>(C) Cash Flows From Financing Activities</b>		
Proceeds / (Repayment) of long term borrowings	2,862.28	(14.58)
Proceeds / (Repayment) of short term borrowings	(10,295.31)	805.80
Interest Paid	(192.87)	(1,288.08)
Dividend paid on equity share	-	(572.36)
Tax paid on dividend declared	-	(117.62)
<b>Net Cash from financing activities</b>	<b>(7,625.90)</b>	<b>(1,186.84)</b>
<b>Net (decrease)/increase In Cash &amp; Cash Equivalents</b>	<b>(13.58)</b>	<b>(56.55)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>37.37</b>	<b>93.92</b>
<b>Cash &amp; Cash Equivalents at the end of the year ( Refer note 10)</b>	<b>23.79</b>	<b>37.37</b>
<b>Notes:</b>		
<b>(a)</b> The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows		
<b>(b)</b> Cash & Cash Equivalents comprises of		
Cash on hand	16.92	0.60
Balances with banks		
In current accounts	6.87	36.77
<b>Cash &amp; Cash Equivalents in Cash Flow Statement</b>	<b>23.79</b>	<b>37.37</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of Board of Directors

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

**Paresh Thakkar**  
Chief Financial Officer  
Place : Vadodara  
Date: 31st July, 2020

**Bhavesh Jingar**  
Company Secretary

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2020

₹ in Lakhs

Particulars	Equity Share Capital Note 14	Other equity			Total Other Equity Note 15	Total Equity
		Retained Earnings Note 15.1	Securities premium reserve Note 15.2	General reserve Note 15.3		
<b>Balance as at 01 April, 2018</b>	<b>11,446.24</b>	<b>27,780.18</b>	<b>84,996.67</b>	<b>430.00</b>	<b>113,206.85</b>	<b>124,653.10</b>
Profit for the year		(59,186.92)			(59,186.92)	(59,186.92)
Other Comprehensive Income of the year, net of income tax		13.87			13.87	13.87
<b>TOTAL Comprehensive Income for the year</b>	-	<b>(59,173.05)</b>	-	-	<b>(59,173.05)</b>	<b>(59,173.05)</b>
Dividends		(572.36)			(572.36)	(572.36)
Taxes on Dividends		(117.62)			(117.62)	(117.62)
<b>Balance as at 31 March, 2019</b>	<b>11,446.24</b>	<b>(32,082.85)</b>	<b>84,996.67</b>	<b>430.00</b>	<b>53,343.82</b>	<b>64,790.06</b>
Profit for the year	-	(19,043.56)	-	-	(19,043.56)	(19,043.56)
Other Comprehensive Income for the year, net of income tax	-	38.96	-	-	38.96	38.96
<b>TOTAL Comprehensive Income for the year</b>	-	<b>(19,004.60)</b>	-	-	<b>(19,004.60)</b>	<b>(19,004.60)</b>
<b>Balance as at 31 March, 2020</b>	<b>11,446.24</b>	<b>(51,087.45)</b>	<b>84,996.67</b>	<b>430.00</b>	<b>34,339.22</b>	<b>45,785.46</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of Board of Directors

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

**Paresh Thakkar**  
Chief Financial Officer

**Bhavesh Jingar**  
Company Secretary

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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### 1 GENERAL INFORMATION

"The Company was incorporated on December 17, 2010 in the state of Gujarat under the provisions of the Companies Act, 1956 with CIN No. L15549GJ2010PLC063283. The Company is in the business of fruits drinks. The Company's business operations, which were being carried out in a different entity, were taken over by the Company effective from 1st April 2011. Further, effective from August 5, 2011 the name of the Company was changed to Manpasand Beverages Private Limited. Subsequently, effective from October 7, 2014 the name of the Company has been changed to Manpasand Beverages Limited."

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### (1) Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

#### (2) Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### (3) Application of New Accounting Pronouncements

The Company has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. Accordingly, the Company has adopted Ind AS 116, Leases. Refer Note 2(5).

#### (4) Revenue Recognition

##### (a) Sale of Goods

The Company has its selling network across the country in the form of Channel Partners (CP) and Depots. Goods sent to Depot is considered as stock transfer and later on considered as sales when the goods are sold from depot. Revenue from sale of goods is inclusive of excise duties (upto June 30, 2017) and is net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and such amounts collected on behalf of third parties. Revenue is recognised as and when performance obligations are satisfied by the transferring goods or services to the Customer. Revenue from sale of products is recognised on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of Sale.

##### (b) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding.

#### (5) Leasing

##### Assets taken on lease:

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The ROU asset is depreciated using the straightline method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses.

##### Short term leases and leases of low value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

#### (6) Foreign Currencies

##### (a) Functional Currencies

The functional currency of the Company is the Indian rupee. These financial statement are presented in indian ruppees (rounded of to lakhs)

##### (b) Transactions and translations

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

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## (7) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

## (8) Employee Benefits

### (a) Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus are recognised in the period in which the employee renders the related services.

### (b) Other long-term Employee Benefit obligations

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees upto the end of the reporting period.

### (c) Post-Employment Benefits

#### (i) Defined Contribution Plan

The Company's contribution to provident fund, and other funds are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### (ii) Defined Benefit Plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other comprehensive income in the period in which they occur. Past service cost is recognised in profit or loss in the period of a plan amendment.

### (d) Long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## (9) Share based payment arrangements

"Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve."

## (10) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## (11) Property, Plant and Equipment

Freehold land is carried at historical cost and not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of the assets are as follows:

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<u>Asset</u>	<u>Useful Life</u>
Buildings	30 years
Plant and Equipment	15 years
Furniture and Fixtures	10 Years
Vehicles	8-10 Years
Office Equipment	5 Years
Computers	3-6 Years

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the on Written Down Value (WDV) basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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 and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

#### **(12) Intangible Assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

##### Useful lives of intangible assets

Computer Software	5 years
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#### **(13) Impairment of Tangible and Intangible assets other than goodwill**

Intangible assets and property, plant and equipment 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 to which the asset belongs.

If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### **(14) Inventories**

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

#### **(15) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **(16) Financial Instruments**

The Company determines the classification of its financial assets and liabilities at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

##### Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

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#### Subsequent Measurement

(a) Non-derivative financial instruments (i) Cash and Cash equivalents The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets carried at amortised cost A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. (iii) Financial assets at fair value through profit or loss (FVTPL) A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. (b) Share capital Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity. Derecognition of financial instruments The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.\*

#### (17) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include available quoted market prices and valuation reports from independent valuers. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

#### (18) Earning Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.\*

#### (19) Cash flow statement:

Cash flows are reported using the indirect method, whereby net 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.

### 3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The following are the critical judgements, apart from those involving estimations that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Useful lives and residual value of property, plant and equipment and intangible asset:

The Company reviews the useful life and residual value of property, plant and equipment and intangible asset as at the end of each reporting period. This reassessment may result in change in depreciation / amortisation expense in future periods.

#### Income taxes :

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions including set-off of available MAT credit in future years based on best estimate of revenue, expenses and tax positions for each future year.

#### Contingent liability judgement :

Note - 32 describes claims against the Company not acknowledged as debt. The Company evaluates each claim on its own or with the help of legal consultant and determines in case any provision is required or disclosure required as part of Contingent liabilities. In cases which includes certain penalties and charges payable to Government agency although as per the contracts, the Management, based on past experience, believes that the penalties and charges are negotiable and not certain and accordingly it is not considered as an obligation as at balance-sheet date and disclosed as contingent liabilities. te - 32 describes claims against the Company not acknowledged as debt. The Company evaluates each claim on its own or with the help of legal consultant and determines in case any provision is required or disclosure required as part of Contingent liabilities. In cases which includes certain penalties and charges payable to Government agency although as per the contracts, the Management, based on past experience, believes that the penalties and charges are negotiable and not certain and accordingly it is not considered as an obligation as at balance-sheet date and disclosed as contingent liabilities.

#### 4 Property Plant and Equipment and Intangible Assets

##### A. Property Plant and Equipment

₹ in Lakhs

	Land (Lease Hold)	Land (Free Hold)	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total	Capital Work in Progress
<b>Cost</b>										
<b>Balance at April 1, 2018</b>	1,203.89	4,622.33	10,750.83	62,574.91	123.05	223.85	53.36	111.21	79,663.43	
Additions		1,338.11	4,733.27	10,715.37	36.99	1.53	0.31	1.99	16,827.57	
Sale/ Disposal									-	
Recoupment / Adjustment		1,031.00							1,031.00	
<b>Balance at March 31, 2019</b>	<b>1,203.89</b>	<b>4,929.44</b>	<b>15,484.10</b>	<b>73,290.28</b>	<b>160.04</b>	<b>225.38</b>	<b>53.67</b>	<b>113.20</b>	<b>95,460.00</b>	
Additions				17.72			0.95		18.67	
Sale/ Disposal										
Recoupment / Adjustment				500.00					500.00	
<b>Balance at March 31, 2020</b>	<b>1,203.89</b>	<b>4,929.44</b>	<b>15,484.10</b>	<b>72,808.00</b>	<b>160.04</b>	<b>225.38</b>	<b>54.62</b>	<b>113.20</b>	<b>94,978.67</b>	
<b>Accumulated depreciation</b>										
<b>Balance at April 1, 2018</b>	13.24	-	2,101.15	23,769.68	79.10	151.02	32.81	87.13	26,234.13	
Depreciation/amortisation expense	12.16		1,090.39	8,969.12	17.18	22.86	9.39	15.03	10,136.13	
Recoupment / Adjustment									-	
Deductions									-	
<b>Balance at March 31, 2019</b>	<b>25.40</b>	<b>-</b>	<b>3,191.54</b>	<b>32,738.80</b>	<b>96.28</b>	<b>173.88</b>	<b>42.20</b>	<b>102.16</b>	<b>36,370.26</b>	
Depreciation/amortisation expense	12.19		1,171.00	7,352.86	16.53	15.31	4.99	4.67	8,577.55	
Recoupment / Adjustment									-	
Deductions									-	
<b>Balance at March 31, 2020</b>	<b>37.59</b>	<b>-</b>	<b>4,362.54</b>	<b>40,091.66</b>	<b>112.81</b>	<b>189.19</b>	<b>47.19</b>	<b>106.83</b>	<b>44,947.81</b>	
<b>Net Block</b>										
<b>As at March 31, 2020</b>	1,166.30	4,929.44	11,121.56	32,716.34	47.23	36.19	7.43	6.37	50,030.86	624.89
<b>As at March 31, 2019</b>	1,178.49	4,929.44	12,292.56	40,551.48	63.76	51.50	11.47	11.04	59,089.74	1,637.74

##### Notes:

- Freehold land at Bengaluru amounting to ₹ 235.32 lakhs is held in the name of ex-director on behalf of the Company being agricultural land. Necessary steps are being taken for obtaining the permission to use the same for industrial purpose and thereafter transferring the said land in the name of the Company.
- During the year, the Company impaired property, plant and equipment of ₹ 500 lakhs and Capital Work in progress ₹ 1200 Lakhs under its annual impairment testing basis its revival plan.  
The Company considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment.  
The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections from financial projections approved by senior management covering a Five-year period.

#### 4. PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

##### B INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Computer Software
<b>Cost</b>	
Balance at April 1, 2018	37.71
Additions	
Sale/ Disposal	-
Balance at March 31, 2019	37.71
Additions	-
Sale/ Disposal	-
Balance at March 31, 2020	37.71
<b>Accumulated depreciation</b>	
Balance at April 1, 2018	23.49
Depreciation/amortisation expense	6.28
Deductions	-
Balance at March 31, 2019	29.77
Depreciation/amortisation expense	3.43
Recoupment / Adjustment	-
Deductions	-
Balance at March 31, 2020	33.20
<b>Net Block</b>	
As at March 31, 2020	4.51
As at March 31, 2019	7.94

##### 5. DEFERRED TAX ASSETS (NET)

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Deferred Tax Assets</b>		
MAT Credit Entitlement	3,027.80	3,187.75
Others	9.25	31.43
<b>Deferred Tax Liabilities</b>		
Difference in carrying value and tax base of investment measured at FVTPL	(35.14)	(35.14)
	<b>3,001.91</b>	<b>3,184.04</b>



₹ in Lakhs

PARTICULARS DEFERRED TAX(LIABILITIES)/ ASSETS IN RELATION TO:	OPENING BALANCE	RECOGNIZED IN PROFIT OR LOSS	RECOGNISED IN OTHER COMPREHENSIVE INCOME	CLOSING BALANCE
<b>2018-2019</b>				
MAT credit entitlement	3187.75	-	-	3,187.75
Difference in carrying value and tax base of investment measured at FVTPL	(242.07)	206.93	-	(35.14)
Others	38.88	-	(7.45)	31.43
	<b>2,984.56</b>	<b>206.93</b>	<b>(7.45)</b>	<b>3,184.04</b>
<b>2019-2020</b>				
MAT credit entitlement	3,187.75	(159.95)		3,027.80
Difference in carrying value and tax base of investment measured at FVTPL	(35.14)			(35.14)
Others	31.43		(22.18)	9.25
	<b>3,184.04</b>	<b>(159.95)</b>	<b>(22.18)</b>	<b>3,001.91</b>

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions including set-off of available MAT credit in future years based on best estimate of revenue, expenses and tax positions for each future year.

₹ in Lakhs

MAT Credit Entitlement	As Per Income Tax Act	Recognised in Books
For the FY 2017-18 (AY 2018-19)	826.00	826.00
For the FY 2018-19 (AY 2019-20)	-	-
For the FY 2019-20 (AY 2020-21)	-	-
	<b>826.00</b>	<b>826.00</b>

## 6. OTHER ASSETS

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-current assets</b>		
Capital advances	26,889.18	26,913.40
Less - Provision	(26,881.77)	(26,881.77)
Capital advances (Net of Provisions)	<b>7.41</b>	<b>31.63</b>
<b>Current assets</b>		
Advance to Suppliers	389.24	208.29
Prepayment of leasehold lands	-	-
Prepaid Expenses	2.69	73.60
Advance gratuity	29.17	-
Balance with GST and VAT Authorities	3,361.88	1,678.11
(A)	<b>3,782.98</b>	<b>1,960.00</b>
Other Receivable	21.99	240.56
Less - Provision for doubtful recovery	-	40.56
Other Receivable (Net of Provisions)	(B) <b>21.99</b>	<b>200.00</b>
	<b>3,804.97</b>	<b>2,160.00</b>

## 7. INVENTORIES

• [At lower of cost and net realisable value]

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Raw materials	866.76	1,833.20
Finished goods	51.07	1,016.84
	<b>917.83</b>	<b>2850.04</b>

- The cost of Inventories recognized as an expense during the year is disclosed in note 24, 25 and 26.
- The Finished Goods include in Stock in Transit of ₹ NIL (PY of ₹ 289.86 lakhs)
- The cost of Inventories recognized as expense includes ₹ NIL (PY of ₹ 26.33 lakhs) in respect of slow moving Inventory. There has been no reversal on account of above in current and previous year

## 8. INVESTMENTS

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-Current Investments</b>		
Investments in Subsidiaries (at Cost) Fully paid Equity Share (Unquoted) (No. of Share 10,000 (PY Nil) of Rs.10 Each)	1.00	-
	<b>1.00</b>	<b>-</b>

## 9. TRADE RECEIVABLES

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Unsecured, considered good	240.41	5,736.99
Unsecured, considered doubtful	10,206.70	11,765.31
Less: Provision for unsecured doubtful debts	(10,206.70)	(11,765.31)
	<b>240.41</b>	<b>5,736.99</b>

## 10. CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Balances with banks</b>		
In Current Account	6.87	36.77
Cash on hand	16.92	0.60
	<b>23.79</b>	<b>37.37</b>

## 11. OTHER BALANCES WITH BANKS

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Balances with banks</b>		
In earmarked accounts		
Unpaid dividend accounts	1.46	1.46
Margin money deposits with maturity period of less than 12 months from the balance sheet date*	52.57	8,562.50
	<b>54.03</b>	<b>8,563.96</b>

• \* Refer Note 13 (j)

## 12. LOANS

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Employees loans and advances	10.43	5.59
	<b>10.43</b>	<b>5.59</b>

**13. OTHER FINANCIAL ASSETS**

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-current assets</b>		
Security Deposits	164.13	164.05
Bank deposits with maturity period of more than 12 months from the balance sheet date	-	1.05
Margin money deposits with maturity period of more than 12 months from the balance sheet date	85.49	2,066.61
	<b>249.62</b>	<b>2,231.71</b>
<b>Current assets</b>		
Security Deposits	159.21	160.21
Interest accrued on deposits	4.38	129.13
	<b>163.59</b>	<b>289.34</b>
	<b>413.21</b>	<b>2,521.05</b>

**Note**

(I) Margin money deposits ₹ NIL (PY ₹ 10500 Lakhs) are kept with banks for availing overdraft facility and ₹ 138.06 Lakhs (PY ₹ 129.11 Lakhs against Bank Guarantees).

**14. SHARE CAPITAL**

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Authorised</b>		
11,50,00,000 (PY. 11,50,00,000) Equity Shares of ₹ 10 each with voting rights	11,500.00	11,500.00
	<b>11,500.00</b>	<b>11,500.00</b>
<b>Issued and Subscribed Capital comprises</b>		
11,44,62,396 (PY. 11,44,62,396) Equity Shares of ₹ 10 each fully paid up with voting rights	11,446.24	11,446.24
	<b>11,446.24</b>	<b>11,446.24</b>

**Notes:**

(I) Movement of Share Capital	Number of Shares	Share Capital ₹ in Lakhs
Balance as at April 01, 2018	114,462,396	11,446.24
Balance as at March 31, 2019	<b>114,462,396</b>	<b>11,446.24</b>
Balance as at March 31, 2020	<b>114,462,396</b>	<b>11,446.24</b>

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

**Notes:**

(I) Details of Shares held by Shareholders holding more than 5% shares

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	Number of Shares	% holding of Equity Shares	Number of Shares	% holding of Equity Shares
DHIRENDRA HANSRAJ SINGH	50,730,000	44.32	50,730,000	44.32
SAIF PARTNERS INDIA IV LIMITED	20,112,000	17.57	20,112,000	17.57
SBI CONSUMPTION OPPORTUNITIES FUND	6,160,282	5.38	6,182,459	5.40
MOTILAL OSWAL MOST FOCUSED LONG TERM FUND	-	-	6,035,882	5.27

(ii) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash and Bonus Shares for the period of 5 years immediately preceding the Balance Sheet date

Particulars	Aggregate number of shares As at March 31, 2020	Aggregate number of shares As at March 31, 2019
<b>Fully paid up equity shares with voting rights</b>		
By way of bonus shares	57,216,198	91,014,798

#### 15. OTHER EQUITY

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Retained Earnings	(51,087.45)	(32,082.85)
Securities premium	84,996.67	84,996.67
General reserve	430.00	430.00
	<b>34,339.22</b>	<b>53,343.82</b>

#### (15.1) RETAINED EARNINGS

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	(32,082.85)	27,780.18
Profit attributable to the owners of the Company	(19,043.56)	(59,186.92)
Other Comprehensive Income arising from remeasurement of Defined Benefit Obligation net of Income Tax	38.96	13.87
	<b>(51,087.45)</b>	<b>(31,392.87)</b>
Less: Appropriations		
Payment of Dividend for the year Financial Year 2017-18		572.36
Dividend Distribution Tax on Dividend for the year Financial Year 2017-18		117.62
		<b>689.98</b>
<b>Balance at the end of the year</b>	<b>(51,087.45)</b>	<b>(32,082.85)</b>

#### (15.2) SECURITIES PREMIUM RESERVE

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	84,996.67	84,996.67
Balance at the end of the year	84,996.67	84,996.67

#### (15.3) GENERAL RESERVE

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
Balance at the beginning of the year	430.00	430.00
Balance at the end of the year	430.00	430.00

**16. BORROWINGS**

₹ in Lakhs

Particulars	As at 31-March-2020	As at 31-March-2019
<b>Long-term borrowings, non-current portion</b>		
Secured		
from Bank	16.02	31.80
from Others	1,115.00	-
	<b>1,131.02</b>	<b>31.80</b>
Unsecured		
from Related Party	1,763.06	-
	<b>2,894.08</b>	<b>31.80</b>
<b>Long-term borrowings, current portion</b>		
Secured		
from Bank	17.35	14.59
	<b>17.35</b>	<b>14.59</b>
<b>Short-term borrowings</b>		
Secured		
Overdraft against Fixed Deposit	(0.05)	10,298.02
	<b>(0.05)</b>	<b>10,298.02</b>
	<b>2,911.38</b>	<b>10,344.41</b>

Details of terms of repayment for the borrowings and security provided are as under:

₹ in Lakhs

Particulars	Terms of Repayment and Security	As at 31-March-2020	As at 31-March-2019
<b>from banks:</b>			
	The vehicle loans were secured by hypothecation of the related vehicles. The same are repayable in equated monthly instalments varying from ₹ 16,201 to ₹ 31,205 over a period of 60 months.	33.37	46.39
<b>from Others:</b>			
	The Loans are secured as below:(a) Unconditional and Irrevocable Personal Guarantee of the promoterz Viz. Mr. Dharendra Singh, Mr. Abhishek Singh. No Guarantee commission is payable to the guarantors.(b) Mortgages on three Units of Company (two at Vadodara and one at Ambala)(c) Pledge of equity shares (5,07,30,000 Nos.) held by Mr. Dharendra Singh in the Company with voting rights.  Also Refer Note No.41(c)	1,115.00	-
<b>Short Term Borrowings</b>			
Overdraft Against Fixed Deposits	Short term borrowings is secured against term deposits held by the Company with the banks and repayable on demand. Overdraft accounts carry interest rate ranging from 7.25% to 7.85% p.a.	(0.05)	10,298.02

**17. PROVISIONS**

₹ in Lakhs

Particulars	As at 31-March-2020	As at 31-March-2019
<b>Non - Current Provisions</b>		
Provision for leave encashment (unfunded)	17.56	35.91
	<b>17.56</b>	<b>35.91</b>
<b>Current Provisions</b>		
Provision for leave encashment (unfunded)	1.59	3.98
Provision for gratuity		1.75
	<b>1.59</b>	<b>5.73</b>
	<b>19.15</b>	<b>41.64</b>

**18. TRADE PAYABLES**

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Trade payables</b>		
Due to micro and small enterprises	-	-
Due to others	7,541.39	7,883.68
	<b>7,541.39</b>	<b>7,883.68</b>

The management is in the process of identifying the enterprises which have provided goods and services to the company and which qualify under the definition of Micro Small and Medium enterprises, as defined under Micro Small and Medium Enterprises Development Act, 2006.

**19. OTHER FINANCIAL LIABILITIES**

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Current liabilities</b>		
Current maturities of long-term debt (Refer Note 16)	17.35	14.59
Unclaimed Dividend	1.46	1.46
Creditors for capital goods	760.76	661.62
	<b>779.57</b>	<b>677.67</b>

**20. TAX ASSETS AND LIABILITIES**

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Non-current</b>		
<b>Current Tax Assets</b>		
Advance Tax (Net of Provision for Tax)	1,510.41	1,507.33
	<b>1,510.41</b>	<b>1,507.33</b>
<b>Current</b>		
<b>Current Tax Liabilities</b>		
Provision for Tax (Net of Advance tax)	-	-
	<b>1,510.41</b>	<b>1,507.33</b>

**21. OTHER LIABILITIES**

₹ in Lakhs

Particulars	As at 31-Mar-20	As at 31-Mar-19
<b>Current liabilities</b>		
Payables to statutory authorities	3,278.09	3,285.11
Advances received from Customers	2,026.93	2,019.16
Deferred revenue	180.84	180.84
	<b>5,485.86</b>	<b>5,485.11</b>

The Company had imported machines against Advance Licencing Scheme of EPCG, but is yet to complete its export commitment. Since considerable time has elapsed and no exports have been done the company on prudent basis had recognized this as a liability. The Company has however obtained an extension for time in which this export commitment has to be met.

**22. REVENUE FROM OPERATIONS**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Sale of products- Fruits Drink (Including stock in trade)	4,082.92	63,607.84
	<b>4,082.92</b>	<b>63,607.84</b>

**23. OTHER INCOME**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Interest income	33.05	1,131.16
Net gain/(loss) on fair valuation of investments carried at FVTPL	-	106.70
Other non-operating Income	215.26	107.31
	<b>248.31</b>	<b>1,345.17</b>

**24. COST OF MATERIALS CONSUMED**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Opening Stock	1,833.20	5,091.50
Add: Purchases	1,606.15	48,222.35
	<b>3,439.35</b>	<b>53,313.85</b>
Less: Closing stock	866.76	1,833.20
	<b>2,572.59</b>	<b>51,480.65</b>

**25. PURCHASES OF STOCK IN TRADE**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Purchase of Manufactured Goods	-	736.12
	<b>-</b>	<b>736.12</b>

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

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Opening stocks		
Finished goods	<b>1,016.80</b>	<b>4,478.62</b>
Less : Closing stocks		
Finished goods	51.07	1,016.84
Net (increase) / decrease in stock	<b>965.73</b>	<b>3,461.78</b>

**27. EMPLOYEE BENEFITS EXPENSE**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Salaries and Wages	1,129.24	2,509.17
Contributions to provident and other funds	126.07	222.71
Staff Welfare Expenses	20.15	72.95
	<b>1,275.46</b>	<b>2,804.83</b>

**28. FINANCE COSTS**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Interest costs on:		
Borrowings	40.96	922.80
Others	19.44	361.35
Charges against Prematurity of FD	131.47	-
Other borrowing cost	1.00	3.93
	<b>192.87</b>	<b>1,288.08</b>

**29. OTHER EXPENSES**

₹ in Lakhs

Particulars	For the year Ended 31-Mar-20	For the year Ended 31-Mar-19
Power and fuel	446.91	1,412.90
Labour Charges	92.03	335.29
Repairs & maintenance		
Building	7.39	33.58
Plant & Machinery	5.17	754.81
Others	6.15	21.73
Rent	103.09	101.26
Legal and professional	188.27	139.94
Sales Promotion	262.02	2,100.33
Branding and Advertisement Expenses	384.87	4,644.88
Payments to auditors (Refer Note no. 30)	40.00	41.27
Travelling expense	166.48	471.11
Carriage outwards	647.19	2,247.71
Miscellaneous Expenses	608.13	3,399.29
Expenditure incurred for Corporate Social Responsibility	1.19	5.74
	<b>2,958.89</b>	<b>15,709.84</b>

**30 PAYMENT TO AUDITORS (EXCLUSIVE OF GST)**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020	For the Year Ended on 31-March 2019
(a) Statutory Audit fees	40.00	41.25
(b) For other services	0.05	0.60
(c) Out of pocket expenses	0.17	0.02
	<b>40.22</b>	<b>41.87</b>

**31 INCOME TAXES**
**A. The major components of income tax expense for the year are as under:**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020	For the Year Ended on 31-March 2019
<b>(i) Income tax recognised in the statement of Profit and loss</b>		
<b>Current tax</b>		
Current income tax	159.96	35.51
Current tax pertaining to prior years	159.96	35.51
Minimum alternate tax credit entitlement	-	-
<b>Deferred tax</b>		
Deferred tax liability relating to reversal of temporary difference (net)	-	(206.93)
	<b>159.96</b>	<b>(171.42)</b>



₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020	For the Year Ended on 31-March 2019
<b>(ii) Income tax expenses recognised in comprehensive income</b>		
Deferred tax (asset) on net loss on remeasurements of defined benefit plans	(22.18)	(7.45)
	<b>(22.18)</b>	<b>(7.45)</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(182.14)</b>	<b>163.97</b>

**B. Reconciliation of tax expense and the accounting profit for the year is as under:**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020	For the Year Ended on 31-March 2019
<b>Profit before tax</b>	<b>(12,215.29)</b>	<b>(20,670.70)</b>
Current Tax pertaining to prior years	159.96	35.51
<b>Tax effect of</b>		
Income which is taxed at special rate	-	(206.93)
Others	22.18	7.45
<b>Tax expense as per Statement of Profit and loss</b>	<b>182.14</b>	<b>(163.97)</b>

**32 CONTINGENT LIABILITIES AND COMMITMENTS**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020	For the Year Ended on 31-March 2019
<b>(a) Contingent liabilities:</b>		
1) Claims against the Company not acknowledged as debts		
i. Income Tax demand - Disputed by Company	1,486.92	1,486.92
ii. Sales Tax demand - Disputed by Company	55.36	109.06
iii. GST demand - Disputed by Company (Refer Note No.41 (b))	1,777.62	1,777.62
<b>(b) Commitments:</b>		
There are no commitments		

### 33 SEGMENT REPORTING

The Company is in the business of "Fruit Drinks" and has only one reportable operating segment as per Ind AS 108 - Operating Segments. The same is consistent with the information provided to and reviewed by chief operating decision maker.

### 34 FINANCIAL INSTRUMENTS

#### 34.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as a Going Concern while maximising the return to stakeholders. The Company has minimum dependence on external debt and operates mainly through internal accruals and equity funding. The Company is not subject to any externally imposed capital requirements.

#### 34.2 Categories of financial instruments

The carrying value of financial instruments by categories as of March 31, 2020 is as follows

Particulars	₹ in Lakhs			
	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	23.79	23.79	23.79
Other Balances with Banks	-	54.03	54.03	54.03
Investments	-	1.00	1.00	1.00
Trade receivables	-	240.41	240.41	240.41
Loans	-	10.43	10.43	10.43
Other financial asset	-	413.21	413.21	413.21
<b>Total</b>	-	<b>742.87</b>	<b>742.87</b>	<b>742.87</b>
<b>Financial Liabilities</b>				
Short Term borrowings	-	(0.05)	(0.05)	(0.05)
Long Term borrowings	-	2,894.08	2,894.08	2,894.08
Trade Payables	-	7,541.39	7,541.39	7,541.39
Other financial liabilities	-	779.57	779.57	779.57
<b>Total</b>	-	<b>11,214.99</b>	<b>11,214.99</b>	<b>11,214.99</b>

The carrying value of financial instruments by categories as of March 31, 2019 is as follows

Particulars	₹ in Lakhs			
	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	37.37	37.37	37.37
Other Balances with Banks	-	8,563.96	8,563.96	8,563.96
Investments	-	-	-	-
Trade receivables	-	5,736.99	5,736.99	5,736.99
Loans	-	5.59	5.59	5.59
Other financial asset	-	2,521.05	2,521.05	2,521.05
<b>Total</b>	-	<b>16,864.96</b>	<b>16,864.96</b>	<b>16,864.96</b>
<b>Financial Liabilities</b>				
Short Term borrowings	-	10,298.02	10,298.02	10,298.02
Long Term borrowings	-	31.80	31.80	31.80
Trade Payables	-	7,883.68	7,883.68	7,883.68
Other financial liabilities	-	677.67	677.67	677.67
<b>Total</b>	-	<b>18,891.17</b>	<b>18,891.17</b>	<b>18,891.17</b>

### 34.3 Financial Risk Management objectives

The management of the Company monitors and manages the financial risks relating to the operations of the Company on a continuous basis. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Compliance with policies and exposure limits is reviewed internally on a continuous basis. The Company does not enter into any trade financial instruments, including derivative financial instruments and relies on natural hedge.

### 34.4 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company has a very limited exposure to foreign currency risk and thereby it has not hedged its foreign currency trade payables.

### 34.5 Foreign currency risk management

The functional currency of the company is Indian Rupees. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary items are restated at the end of each year. The same at the end of the reporting period are as follows:

Particulars	For the Year Ended on 31-March 2020		For the Year Ended on 31-March 2019	
	Currency	Amount in FC	Currency	Amount in FC
Advance to Supplier	USD	10,909.00	USD	10,909.00

### Foreign Currency Sensitivity Analysis

The Company is exposed to US Dollar.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against USD. 5% is a sensitivity rate used when reporting foreign currency internally to the key management personnel and represents management's assessment of the reasonably possible changes in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in the foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

₹ in Lakhs

Particulars	Change in exchange rate	Currency USD impact	
		Profit for the year	Equity net of tax
<b>March 31 2020</b>			
Strengthening	5%	-0.41	-0.41
Weakening		0.41	0.41
<b>March 31 2019</b>			
Strengthening	5%	-0.35	-0.35
Weakening		0.35	0.35

### 34.6 Interest rate risk management

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company is not exposed to interest rate risk because the Company generally borrows funds at fixed interest rates and invests in deposits with bank carrying fixed interest rate.

### 34.7 Credit risk management

Credit risk refers to the risk that the counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of channel partners and depots based at different locations. Credit arises primarily from financial assets such as trade receivable, investment in mutual fund, other balances with bank and other receivables.

Regular monitoring of the receivables is undertaken by the Marketing Department. In case of new customers, the goods are generally supplied against advance receipts. The marketing department of the Company regularly discusses the credit risks, measures taken to address them and the status and

level of risk after the measures taken. In case the receivables are not recovered even after regular follow up, the same is brought to the attention of the senior management and measures are taken to stop further supplies to the concerned party.

Credit risk arising from investment in mutual fund and other balance with bank is limited and there is no collateral held against these because the counter parties are bank and recognised financial institutions with high credit ratings.

#### 34.8 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages its funds mainly from internal accruals. The liquidity risk is managed by maintaining adequate fixed deposits, investment in mutual funds and banking facilities and by matching the maturity profiles of financial assets and liabilities.

##### Exposure to Liquidity risk

The following tables detail the Company's remaining contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The Company had filed a Draft Red Herring Prospectus (DRHP) in November 2014 and Prospectus in June 2015 with one of the objects of utilising the proceeds of the Initial Public Offer (IPO) for the repayment/prepayment of its debt. Thus, as at April 1, 2015, the contractual maturity of the non derivative financial liabilities is considered to be less than six months although the Company was under no obligation to make the entire payment within such period.

₹ in Lakhs

Particulars	Less than 6 months	6 to 12 months	More than 12 months	Total	Carrying amount
<b>Year ended March 31, 2020</b>					
<b>Financial liabilities</b>					
Borrowings	9.07	8.23	2894.08	2,911.38	2,911.38
Trade payables	7,541.39	-	-	7,541.39	7,541.39
Other financial liabilities	779.57	-	-	779.57	779.57
<b>Total</b>	<b>8330.03</b>	<b>8.23</b>	<b>2894.08</b>	<b>11232.34</b>	<b>11232.34</b>
<b>Year ended March 31, 2019</b>					
<b>Financial liabilities</b>					
Borrowings	10,305.32	7.29	31.80	10,344.41	10,344.41
Trade payables	7,883.68	-	-	7,883.68	7,883.68
Other financial liabilities	677.67	-	-	677.67	677.67
<b>Total</b>	<b>18866.67</b>	<b>7.29</b>	<b>31.80</b>	<b>18,905.76</b>	<b>18,905.76</b>

#### 34.9 Fair Value Measurements

The Company has no financial instruments which has been measured at fair value.

#### 35 Details of Unhedged exposure in foreign currency denominated monetary items

The Company has no unhedged exposure in foreign currency.

#### 36 EARNINGS PER SHARE

##### Basic Earnings Per Share

Particulars	As at 31-March-2020	As at 31-March-2019
Profit for the year attributable to Equity Shareholders (Rupees in Lakhs)	(19,043.56)	(59,186.92)
Weighted average number of equity shares outstanding during the year	114,462,396	114,462,396
<b>Basic Earning Per Share (₹)</b>	<b>(16.64)</b>	<b>(51.71)</b>
Face Value Per Share	10.00	10.00

### *Diluted Earnings per share*

Particulars	As at 31-March-2020	As at 31-March-2019
Profit for the year (Rupees in Lakhs)	(19,043.56)	(59,186.92)
Weighted average number of equity shares for Basic EPS	114,462,396	114,462,396
Add:		
a. Dilutive Employee Share Options	-	-
Weighted average number of equity shares for Diluted EPS	114,462,396	114,462,396
<b>Diluted Earning Per Share (₹)</b>	<b>(16.64)</b>	<b>(51.71)</b>
Face Value Per Share	10.00	10.00

## 37 EMPLOYEE BENEFIT PLANS

### Defined Contribution Plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Provident fund is managed through government administered fund. The Company recognised ₹ 125.50 Lakh (Previous Year ₹ 227.65 Lakh) net of subsidy received under PMRPY Scheme of ₹ -0.57 Lakhs (Previous year ₹ 4.94 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

### Defined benefit plans

The Company offers the employee benefit scheme of gratuity to its employees as per Gratuity Act, 1972.

These plans typically expose the Company to various risks such as: actuarial risk, investment risk, liquidity risk, market risk and legislative risk.

Actuarial risk	<p>It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:</p> <p>Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.</p> <p>Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.</p> <p>Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.</p>
Investment risk	<p>For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.</p>
Liquidity risk	<p>Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflow.</p>
Market Risk	<p>Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits &amp; vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.</p>
Legislative Risk	<p>Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.</p>

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Valuation as at	
	31-Mar-20	31-Mar-19
Discount rate	6.55%	7.65%
Salary growth rate	10.00%	10.00%
Withdrawal rates	20% at younger ages reducing to 1% at older ages	20% at younger ages reducing to 1% at older ages

Amounts recognised in the statement of profit and loss in respect of the defined benefit plans are as follows:

Particulars	₹ in Lakhs	
	31-March-20	31-March-19
Amounts recognized in Profit & Loss Account		
a. Current Service Cost	32.30	55.32
b. Net interest cost	(2.08)	(2.11)
c. Prior year charge	-	-
<b>d. Components of defined benefit costs recognised in profit or loss</b>	<b>30.22</b>	<b>53.21</b>
Amounts recognised in Other Comprehensive Income		
a. Components of actuarial gain/losses on obligations:		
(i) Due to Change in financial assumptions	(17.45)	0.97
(ii) Due to change in demographic assumption	(0.04)	-
(iii) Due to experience adjustments	71.49	18.87
b. Return on plan assets excluding amounts included in interest income	7.14	1.48
<b>c. Components of defined benefit costs recognised in other comprehensive income</b>	<b>61.14</b>	<b>21.32</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	₹ in Lakhs	
	As at 31-March-2020	As at 31-March-2019
Present value of funded defined benefit obligation	190.46	227.43
Fair value of plan assets	219.63	225.68
Advance to gratuity trust*	-	-
<b>Net liability/(asset)</b>	<b>(29.17)</b>	<b>1.75</b>

Movements in the present value of the defined benefit obligation are as follows.

Particulars	₹ in Lakhs	
	As at 31-March-20	As at 31-March-19
Opening defined benefit obligation	227.43	180.84
Current service cost	32.30	55.32
Interest cost	16.86	13.34
Actuarial loss/(gain) due to Change in financial assumptions	17.45	(0.97)
Actuarial loss/(gain) due to change in demographic assumption	0.04	-
Actuarial loss/(gain) due to experience adjustments	(71.49)	(18.87)
Prior year charge	-	-
Benefits Paid	(32.13)	(2.24)
<b>Closing defined benefit obligation</b>	<b>190.46</b>	<b>227.43</b>

Movements in the fair value of the plan assets are as follows.

Particulars	₹ In Lakhs	
	As at 31-March-20	As at 31-March-19
Opening Fair Value of Plan Assets	225.68	180.98
Interest income	18.93	15.45
Return on Plan assets excluding amounts included in interest income	7.14	1.48
Contributions	-	30.00
Benefits Paid	(32.13)	(2.24)
<b>Closing Fair Value of Plan Assets</b>	<b>219.63</b>	<b>225.68</b>

All plan assets are invested in Policy of Insurance.

Expected cashflows based on past service liability is as under:

Particulars	As at 31-March-20	As at 31-March-19
Year 1	11.30	14.03
Year 2	15.33	15.37
Year 3	52.47	19.46
Year 4	11.01	71.02
Year 5	9.38	15.95
Year 6 to 10	51.48	70.31

Sensitivity to key assumptions is as under:

Particulars	As at 31-March-20	As at 31-March-19
Discount Rate sensitivity		
Increase by 0.5%	-4.38%	-4.07%
Decrease by 0.5%	4.78%	4.41%
Salary growth rate sensitivity		
Increase by 0.5%	4.60%	4.29%
Decrease by 0.5%	-4.27%	-4.00%
Withdrawal rate sensitivity		
Increase by 0.5%	-2.18%	-2.04%
Decrease by 0.5%	2.43%	2.12%

### 38 RELATED PARTY TRANSACTIONS

Details of related parties

Description of Relationship	Names of Related Parties
Key Management Personnel - Significant influence - holding more than 20%	Mr. Dharendra Singh (Chairman and Managing Director) from 1st April, 2019 upto 30th December, 2019 and from 3rd January, 2020 to 31st March, 2020)
Key Management Personnel - Significant influence - holding more than 20%	Mr. Dharendra Singh (Director) from 31st December, 2019 to 2nd January, 2020
Key Management Personnel	Mr. Abhishek Singh (Whole Time Director) from 1st April, 2019 upto 30th December, 2019 and from 3rd January, 2020 to 31st March, 2020)
Key Management Personnel	Mr. Abhishek Singh (Director) from 31st December, 2019 to 2nd January, 2020
Key Management Personnel	Mr. Paresk Thakkar (Chief Financial Officer)
Key Management Personnel	Mr. Bhavesh Jingar (Company Secretary) from 1st April, 2019 to 30th May, 2019 and again reappointed from 26th October 2019
Key Management Personnel	Ms. Shailika Soni (Company Secretary) from 6th September, 2019 upto 10th September, 2019
Post Employment Benefit Plan	Manpasand Beverages Limited Employees' Group Gratuity Fund

Other Related parties	Names of Related Parties
Significant Influence holding more than 20%	None
Significant Influence of Key Management Personnel	Manpasand Snack & Beverages Limited
Significant Influence of Key Management Personnel	Manpasand Nutritions Private Limited (Formerly X-Cite Nutritions Private Limited)
Wholly owned Subsidiary	Manpasand Products Private Limited (Incorporated as on 20th March 2019.)
Hindu Undivided Family where KMP is the Karta	D H Singh - HUF
Entity controlled by Director	Bipin & Co.
Director	Mr. Dhruv Aggrawal (Upto 26th May 2019)
Relative of Key Management Personnel	Mrs. Sushma Singh
Relative of Key Management Personnel	Mrs. Tetradevi
Relative of Key Management Personnel	Mr. Harshvardhan Singh
Relative of Key Management Personnel	Mr. Satyendra Singh
Relative of Key Management Personnel	Mr. Dharmendra Singh
Relative of Key Management Personnel	Mr. Gyanendra Singh
Relative of Key Management Personnel	Mrs. Monika Singh
Relative of Key Management Personnel	Ms. Sikha Singh
Director of Wholly owned Subsidiary	Mr. Vijay Panchal
Director of Wholly owned Subsidiary	Mr. Apoorva Dixit

**Note: Related Parties have been identified by the Management**

### 38.1 Transaction with related parties

(a). The remuneration of directors and other members of Key management personnel during the year was as follows:

Particular	₹ in Lakhs	
	For the year ended on 31-March-2020	For the year ended on 31-March-2019
<b>Short term benefits</b>		
Mr. Dharendra Singh (Chairman and Managing Director)	77.37	244.20
Mr. Abhishek Singh (Whole Time Director)	77.95	146.53
Mr. Paresh Thakkar (Chief Financial Officer)	23.49	23.13
Mr. Bhavesh Jingar (Company Secretary)	7.52	12.80
Mr. Vijay Panchal (Director of Wholly owned Subsidiary)	4.27	-
Mr. Apoorva Dixit (Director of Wholly owned Subsidiary)	15.28	-
	<b>205.88</b>	<b>426.66</b>
<b>Post - employment benefits</b>		
Mr. Dharendra Singh (Chairman and Managing Director)	2.63	5.12
Mr. Abhishek Singh (Whole Time Director)	2.05	3.07
Mr. Paresh Thakkar (Chief Financial Officer)	0.49	0.49
Mr. Bhavesh Jingar (Company Secretary)	0.16	0.27
Mr. Vijay Panchal (Director of Wholly owned Subsidiary)	0.09	-
Mr. Apoorva Dixit (Director of Wholly owned Subsidiary)	0.32	-
	<b>5.74</b>	<b>8.95</b>
	<b>211.62</b>	<b>435.61</b>

The remuneration of directors are determined by the remuneration committee having regard to performance of individuals and market trends.

(b). The transaction with other related parties during the year was as follows:

Particular	₹ in Lakhs	
	For the year ended on 31-March-2020	For the year ended on 31-March-2019
<b>Post - employment benefits</b>		
Manpasand Beverages Limited Employees' Group Gratuity Fund	-	-



Details of related party transactions during the year ended and balances outstanding as at:

₹ in Lakhs

Particulars	Relationship	For the year ended on 31-March-2020	For the year ended on 31-March-2019
<b>a. (a) Professional Fees</b>			
Bipin & Co., Chartered Accountants	Entity controlled by Director	-	7.10
Mr. Dhruv Agarwal	Director	-	0.90
<b>(b) Loan Taken</b>			
Mr. Dharendra Hansraj Singh	KMP	2,000.84	-
Mr. Abhishek Singh	KMP	243.14	-
<b>(c) Recovery of Salary</b>			
Mr. Dharendra Hansraj Singh	KMP	126.00	-
Mr. Abhishek Singh	KMP	26.00	-
<b>Note:</b> The Company has paid / provided towards managerial remuneration of ₹ 126.00 Lakhs to Mr. Dharendra Singh, as Chairman and Managing Director and ₹ 26.00 Lakhs to Mr. Abhishek Singh, as Whole Time Director for the F.Y. 2018-19 in excess of the managerial remuneration allowed as per the Schedule V of the Company's Act, 2013 which was subjected of passing a special resolution by the members in the annual general meeting held on 30th December, 2019. The Special Resolution could not be passed as the same was rejected by the members in the annual general meeting and accordingly such excess remuneration paid was recovered from Mr. Dharendra Singh and Mr. Abhishek Singh.			
<b>(d) Investment in Wholly owned Subsidiary</b>			
Manpasand Products Private Limited	Wholly owned Subsidiary	1.00	-
<b>(e) Reimbursement of Expenses</b>			
Manpasand Products Private Limited	Wholly owned Subsidiary	1.33	-
<b>b. Balance at year end:</b>			
<b>Payables:</b>			
<b>(a) Payable towards Loan</b>			
Mr. Dharendra Singh	KMP	1,567.99	-
Mr. Abhishek Singh	KMP	195.07	-
<b>(b) Payable towards Salary</b>			
Mr. Dharendra Singh	KMP	54.63	11.38
Mr. Abhishek Singh	KMP	91.67	43.42
Mr. Paresh Thakkar	CFO	10.34	-
Mr. Bhavesh Jingar	Company Secretary	4.01	-
Mr. Apporva Dixit	Director of Wholly owned Subsidiary	7.26	-
<b>(c) Payable towards Others</b>			
Mr. Dhruv Agarwal	Director	0.81	0.81

## 39 LEASES

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term leases was Rs. 103.09 lakhs for the year ended March 31, 2020. The Company's lease asset classes primarily consist of leases for land, office premises and godowns. 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 of 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 the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset."

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense in the statement of profit and loss."

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in the 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 costs 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.

#### Transition

Effective from 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method, however as per the present lease terms there was no requirement for any cumulative adjustment to be made to retained earnings, on the date of initial application.

#### 40 The breakup of Exceptional items includes the following

Particular	For the year ended on 31-March-2020	For the year ended on 31-March-2019
Provision for doubtful recovery against Capital Advances	-	26,881.77
Provision of Expected Credit Loss against Trade Receivables	4,968.31	11,765.31
Bad Debts Written off	6,526.92	
Less: Provision for Expected Credit Loss written back to the extent of Bad Debts written off *	(6,526.92)	
Provision for Impairment of Capital Work In Progress **	1,200.00	
Provision for Impairment of Property, Plant & Equipment (Refer Note No. 4 (2))	500.00	
Provision for doubtful recovery against Other Receivables	-	40.56
<b>Total Provisions</b>	<b>6,668.31</b>	<b>38,687.64</b>

\* The Company has evaluated and provided for expected credit losses of ₹ 4968.31 lakhs against Trade Receivables amounting to ₹ 5208.72 lakhs and written off ₹ 6526.92 Lakhs against the expected credit losses of ₹ 117,65.31 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Company is exploring all remedies required to recover these amounts.

\*\* The Company has also been constructing a new plant at Sricity in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Company has accordingly made an impairment provision of ₹ 1200 lakhs in relation to such Capital Work in Progress.

#### 41 The Company has faced certain critical events / aggressive competition and foul plays from some competitors / market forces during the year and period subsequent to balance sheet date resulting into disturbed operations, distribution, collections and operational losses during the current year owing to events explained hereunder below:

a. The Company in its efforts to consolidate its huge dealer – retailer network moved to a chain of large channel partners who would in turn manage and operate the dealer – retailer network which is a successful model in the industry and in other countries. However the implementation of this model was disrupted by the negative market forces and aggressive competition in the market and claims from the Channel Partner towards damages / expired life which was a result of their inability to timely distribute the products of the Company to the retail chain and maintain the presence of Company products.

b. The Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings even after deposit of an amount of Rs. 1,777.36 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of ₹ 2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.

c. Between June 2019 to September 2019, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse ₹ 100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of ₹ 100 crores, FFSPL disbursed only ₹ 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.

d. Due to above events the production and distribution were drastically disturbed, in the period post May 2019. The Company faced a higher attrition of talented, experienced and trusted employees during these challenging times. Accordingly, the management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth.

e. The management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth. Further the provisional allotment of Lease hold Land by Odisha Industrial Infrastructure Development Corporation (IDCO) at Khurdha, Odisha has been cancelled vide their order dated 07.09.2019. Accordingly the management have strategically reassessed the implementation of its pending capital projects in view of the additional capital commitment of approx. ₹ 20,209.91 lakhs in relation to such unexecuted contracts and has decided to not pursue such capital projects till further reassessment/feasibility. As per the Trade Practice such capital advances are given to enable the Vendors to make or procure capital assets on our behalf. The Management is making efforts to obtain extensions from the Vendors to fulfil such capital commitments or realize certain advances wherever possible. However as a matter of prudence, Capital Advances paid in relation to such projects aggregating to ₹ 26,881.77 lakhs have been provisioned for doubtful recovery as an exceptional item and amounts paid towards provisional allotment of Land have been classified as receivable from IDCO amounting to ₹ 200.00 lakhs net of provision for doubtful recovery ₹ 40.55 lakhs towards any deductions that may arise in the refund and the said refund amounts to ₹ 197.98 Lakhs which is received by the Company on 16th December 2019.

f. The Company has evaluated and provided for expected credit losses of CY ₹ 4,968.31 (PY ₹ 11,765.31 lakhs) against Trade Receivables amounting to CY ₹ 5,208.72 (PY ₹ 17,502.30 lakhs) in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country.

- 42 The Company has paid / provided managerial remuneration of ₹ 55.80 lakhs to Chairman / Managing Director and Whole Time Director for the period 1st January 2020 to 31st March 2020 is subject to shareholder approval in the general meeting.
- 43 As highlighted in point 41(b) above, GST searches and investigations were conducted at 3 units of the Company, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 41(d) above has weakened certain established internal controls and record keeping. The Company is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Company and the Company is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
- 44 The accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management does not expects any material adjustments in this regard.
- 45 In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporary closure of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company fell under non-essential category, these restrictions had substantially impacted its operations at plants. The Company has since, after receiving applicable permissions, partially commenced operations including dispatch of goods to its customers at some of its manufacturing facilities and has been scaling up the same gradually. The Management believes that it has considered all possible impacts of COVID-19 and other disrupting events, on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Company has considered internal and external sources of information / indicators up to the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone and consolidated financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.
- 46 The figures for the corresponding previous year have been regrouped/ reclassified wherever necessary, to make them comparable.

**47 APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved for issue by the Board of Directors on July, 31 2020.

**In terms of our report attached**

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN : 113447W/W-100019

**Vinay Somani**  
Partner  
M.No. : 143503  
Place : Mumbai  
Date: July 31, 2020

**For and on behalf of the Board of Directors**

**Dhirendra H. Singh**  
Chairman & Managing Director  
DIN: 00626056

**Paresh Thakkar**  
Chief Financial Officer

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Bhavesh Jingar**  
Company Secretary

## INDEPENDENT AUDITOR'S REPORT

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**To The Members of  
Manpasand Beverages Limited**

### Opinion

#### Report on the Audit of Consolidated Financial Statements

1. We have audited the accompanying Consolidated financial statements of Manpasand Beverages Limited ("the Parent") and its subsidiary, (the Parent and its subsidiary together referred to as "the Group") which comprises of Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary, 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 consolidated state of affairs of the Group, as at March 31, 2020, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

3. 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 ethical 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 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 consolidated financial statements.

#### Emphasis of Matter:

4. We draw attention to the following matters:
  - a. As explained in Note 41.b to the Statement, the Parent faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Group were sent to judicial custody under allegations of falsely claiming input tax credit. The Parent has under protest made payment of Rs. 1,777.36 lakhs as claimed by the CGST authorities under protest to secure bail from judicial custody of its top officials. Till date, the Parent has not received any Demand Notice or Show Cause Notice in relation to such proceedings from the CGST authorities.
  - b. As explained in Note 41.c to the Statement, the Parent also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse Rs.100 Crores into the Parent during the period when top officials were in judicial custody and the Parent was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Parent and created mortgages on three Units of Parent (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Parent. Against the promised loan of Rs. 100 crores, FFSPL disbursed only Rs. 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Parent held by Mr. Dhirendra Singh (CMD) through exercise of Call letter and also transfer of pledged shares which has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench vide its order dated 13th September 2019. Also, FIR have been lodged dated 27th September 2019 with the Vadodara Police and Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. In the opinion of the Parent's Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and/ or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.
  - c. As explained in Note 40 to the Statement, the Parent has also been constructing a new plant at Sricity in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2018-19 and FY 2019-20, the project was stalled for more than a year. The Parent expects to recover 40% of the carrying value of the Capital Work in Progress at its Sricity project. The Parent has accordingly made an impairment provision of Rs. 1200 lakhs in relation to such Capital Work in Progress.
  - d. As explained in Note 45 to the Statement, the Parent's Management believes that it has considered all possible impacts of COVID-19 and other disrupting events, the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recoverability, the Parent has considered internal and external sources of information / indicators up to the date of approval of these Consolidated financial statements. Based on current indicators of future economic conditions, the Parent expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these Consolidated financial statements. Considering the continuing uncertainties, the Parent will continue to closely monitor any material changes to future economic conditions.

- e. As explained in Note 41 (f) to the Statement, the Parent has evaluated and provided for expected credit losses of ₹4968.31 lakhs against Trade Receivables amounting to Rs.5208.72 lakhs and written off 6526.92 Lakhs against the expected credit losses of ₹ 117,65.31 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Parent is exploring all remedies required to recover these amounts.
- f. As explained in Note 42 to the Statement, the re-appointment of and remuneration paid to Mr. Dharendra Singh (Chairman and Managing Director) and Mr. Abhishek Singh (Whole Time Director) for the period 1st January 2020 to 31st March 2020 is subject to shareholder's approval of the Parent.
- g. As explained in Note 43 to the Statement, GST searches and investigations were conducted at 3 units of the Parent, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 41 (d) of the Notes to the Statement has weakened certain established internal controls and record keeping. The Parent is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Parent and the Parent is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
- Our report is not modified in respect of the above matters.

#### Key Audit Matters

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

S. No	Key Audit Matter	How the matter was addressed in our audit
1	<b>Impairment of Property, Plant and Equipment.</b>	
	<p>As at March 31, 2020, the carrying amounts of Property Plant and equipment amounted to ₹ 50,030.86 lakhs.</p> <p>As at March 31, 2020, certain Property, Plant and Equipment ("PP&amp;E") has impairment indicators on account of disturbed operations and financial condition of the Group. The Group's performance and prospects have been impacted increasing the risk that the PP&amp;E may be impaired. For cash generating units ("CGU") to which these PP&amp;E belong and contains, the determination of recoverable amount, being the higher of fair value less costs to sell and value in use requires judgment on the part of management in both identifying and then valuing the relevant CGUs. Recoverable amounts are based on management's view of variables, such as future expected revenue, future expected revenue growth rate, gross margins, future cash flow, determination of historical trends, and the most appropriate discount rate, weighted average cost of capital.</p> <p>We focused on this area due to the significance of management judgements adopted in assessing the recoverable amount with regard to the impairment assessment of PP&amp;E of the Group.</p>	<p>We performed the following principal audit procedures in relation to management's assessment of impairment of PP&amp;E:</p> <ol style="list-style-type: none"> <li>Evaluation of design and implementation of the control relating to managements' assessment of impairment of PP&amp;E and intangible assets.</li> <li>Tested the operating and effectiveness of controls relating to management's assessment of impairment of PP&amp;E and intangible assets.</li> <li>Evaluated the appropriateness of management's grouping of these PP&amp;E with the relevant CGUs.</li> <li>Compared the input data used in the cash flow forecasts against the historical figures and the business forecasts.</li> </ol>
2	<b>Assessment of Going Concern basis</b>	
	<p>The Group had incurred losses during the previous year and has continued to incur losses during the year, primarily due to disturbed operations, lower volumes, and certain provision for expected credit losses and impairment towards PP&amp;E made by the Group.</p> <p>We focused on this area due to the significance of management judgements adopted in assessing the material uncertainties related to going concern.</p>	<p>We performed the following principal audit procedures in relation to management's assessment of going concern:</p> <ol style="list-style-type: none"> <li>Evaluation of design and implementation of the control relating to management's assessment of going concern.</li> <li>Tested the appropriateness of key assumptions adopted used by the management, including the impact of COVID 19 pandemic on such assumptions, that had most material impact in preparation of the cash flow forecasts.</li> <li>Evaluation of the appropriateness of identification of material uncertainties.</li> </ol>

		<ul style="list-style-type: none"> <li>d. Analyzed and discussed cash flow, profits and other relevant forecasts with management.</li> <li>e. Assessed the sensitivities and stress testing on the future cash flows that management has considered for the going concern assessment.</li> <li>f. Evaluated disclosures in the Consolidated financial statements for the Material Uncertainty Related to Going Concern and the related compliance with the requirements of the Standards on Auditing and the applicable financial reporting standards.</li> </ul>
<b>3</b>	<b>Expected Credit Losses on Trade Receivables</b>	
	<p>The Group has evaluated and made a provision for expected credit losses on Trade Receivables as explained in Note No. 41.f to the Consolidated Financial Statements.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>a. Evaluating the reasonableness of the management's estimate of the provision made in relation to such Trade Receivables.</li> <li>b. Assessing the key judgements made by the management in relation to such provision in view of the events before and subsequent to balance sheet date as explained in Note No. 41.f to the Consolidated Financial Statements.</li> </ul>
<b>4</b>	<b>Evaluation of Uncertain Tax and Regulatory positions</b>	
	<p>Evaluation of uncertain positions related to tax and regulatory matters. The Group has uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters.</p> <p>Refer to Note No. 32 of the Consolidated Financial Statements for Contingent Liabilities disclosed in relation to such uncertain tax positions.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>a. Evaluating the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of the provision.</li> <li>b. Obtained details of key uncertain tax and regulatory matters;</li> <li>c. Discussed with appropriate senior management and evaluated the Management's underlying key assumptions in estimating the tax and other provisions;</li> <li>d. Assessed management's estimate of the possible outcome of the assessment proceedings in evaluating management's position on these uncertain tax and regulatory positions.</li> </ul>

#### Information Other than the Consolidated Financial Statements and Auditor's report thereon

The Parent's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Corporate Governance report and Shareholder's information, but does not include the Consolidated financial statement 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Group Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.

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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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, the Management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Parent and Subsidiary are also responsible for overseeing the Group's 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial control 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 the 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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**

The consolidated Financial Results include the audited financial results of a subsidiary, whose financial statements reflect total assets of Rs. 0.17 lakhs as at 31 March, 2020, total revenues of Rs. Nil and net loss including other comprehensive income of Rs. (2.51) lakhs respectively for the year ended March 31, 2020 respectively, as considered in the consolidated financial statements which have been audited by respective independent auditor. The Independent auditors' reports on financial statements of the subsidiary have been furnished to us, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said subsidiary, is based solely on the report of such other auditor and the procedures performed by us. Our opinion is not modified in respect of this matter.

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### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements, as noted in the 'other matters' paragraph we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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 & Loss (including other comprehensive income), the Statement of Changes in Equity and the Consolidated Cash Flow Statement 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 Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) The matters stated in paragraphs (a), (b), (c), (d) and (e) of paragraph 4 above titled 'Emphasis of matter' in our opinion, may have an adverse effect on the functioning of the Group.
  - (f) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Parent and the report of the statutory auditor who is appointed under Section 139 of the Act, of its subsidiary, none of the directors of the Parent and Subsidiary company, incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A".
  - (h) In our opinion and based on the consideration of report of other statutory auditor of the subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Parent, its subsidiary incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. However, the re-appointment of the Parent's directors is subject to shareholder's approval.
  - (i) With respect to the matters to be included in the Auditor's report in accordance with the 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, if any, of pending litigations as at March 31, 2020 on its financial position in its Consolidated financial statements - Refer Note No. 32 to the Consolidated financial statements;
    - ii. The Group has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
    - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Group.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No:  
113447W/W-100019

**Vinay Somani**  
Partner  
Membership No: 143503  
UDIN : 20143503AAAAIT2533

Place : Mumbai  
Date : 31st July, 2020

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**Annexure "A" referred to in "Report on Other Legal and Regulatory Requirements" section of our report to the members of Manpasand Beverages Limited of even date:**

#### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Manpasand Beverages Limited ("the Parent") as of March 31, 2020 and its subsidiary in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent and Subsidiary is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential component 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 Group'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 Act.



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### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Group'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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 Group internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

The Group 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. The Group 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 Group; (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 entity are being made only in accordance with authorizations of management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion:**

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the said Guidance Note issued by ICAI.

### **Emphasis of matter:**

Attention is drawn to:

Internal control system for financial reporting w.r.t. Confirmations, reconciliations and adjustments of accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices which are pending (read with Note No. 44 to the Consolidated financial statements) and further this read with other matters stated under heading "Emphasis of Matters" in our report, may potentially have material impact on the Consolidated financial statements.

Place : Mumbai  
Date : 31st July, 2020

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No:  
113447W/W-100019

**Vinay Somani**  
Partner  
Membership No: 143503  
UDIN :20143503AAAAIT2533

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020**

		₹ in Lakhs
PARTICULARS	Note	As at 31-Mar-20
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	4	50,030.86
(b) Right of Use Assets		1,772.62
(c) Capital work-in-progress	4	624.89
(d) Intangible assets	4	4.51
Intangible assets under development		87.18
(e) Financial assets		
(i) Investments	8	-
(ii) Other financial assets	13	249.62
(f) Income tax assets (net)	20	1,510.41
(g) Deferred tax assets (net)	5	3,001.91
(h) Other non-current assets	6	7.41
<b>Total Non-current assets</b>		<b>57,289.41</b>
<b>Current assets</b>		
(a) Inventories	7	917.83
(b) Financial assets		
(i) Investments	8	-
(ii) Trade receivables	9	240.41
(iii) Cash and cash equivalents	10	23.88
(iv) Other Balances with Banks	11	54.03
(v) Loans	12	10.43
(vi) Other financial assets	13	163.67
(c) Other current assets	6	3,803.63
<b>Total current assets</b>		<b>5,213.88</b>
<b>Total Assets</b>		<b>62,503.29</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	14	11,446.24
(b) Other equity	15	34,336.71
<b>Total Equity</b>		<b>45,782.95</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	16	2,894.08
(b) Provisions	17	17.56
<b>Total non-current liabilities</b>		<b>2,911.64</b>
<b>Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	16	(0.05)
(ii) Trade payables	18	
Total Outstanding Dues of Micro and small enterprises		-
Total Outstanding Dues of Creditors other than Micro and small enterprises		7,541.73
(iii) Other financial liabilities	19	779.57
(b) Provisions	17	1.59
(c) Current Tax Liabilities (net)	20	-
(d) Other current liabilities	21	5,485.86
<b>Total current liabilities</b>		<b>13,808.70</b>
<b>Total Equity and Liabilities</b>		<b>62,503.29</b>

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See accompanying notes forming part of the financial statements

In terms of our report attached

**For Bagaria & Co. LLP**  
Chartered Accountants  
**FRN: 113447W/W-100019**

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

For and on behalf of Board of Directors

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Paresh Thakkar**  
Chief Financial Officer  
Place : Vadodara  
Date: 31st July, 2020

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Bhavesh Jingar**  
Company Secretary

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**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2020**

₹ in Lakhs

PARTICULARS	Note	For the Year Ended on 31-Mar-2020
<b>INCOME</b>		
Revenue from operations	22	4,082.92
Other income	23	248.31
<b>TOTAL INCOME</b>		<b>4,331.23</b>
<b>EXPENSES</b>		
Cost of materials consumed	24	2,572.59
Purchases of stock-in-trade	25	-
Changes in inventories of finished goods	26	965.73
Employee benefits expense	27	1,275.46
Finance costs	28	192.88
Depreciation and amortisation expense	4	8,580.98
Other expenses	29	2,961.39
<b>TOTAL EXPENSES</b>		<b>16,549.03</b>
<b>PROFIT BEFORE TAX</b>		<b>(12,217.80)</b>
<b>Exceptional Items</b>		<b>6,668.31</b>
<b>TAX EXPENSE</b>	31	
Current tax		0.01
Minimum alternate tax credit entitlement		-
Deferred tax		-
Current Tax pertaining to prior years		159.95
(b) (Less): MAT credit		159.96
<b>PROFIT FOR THE YEAR</b>		<b>(19,046.07)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified to statement of profit and loss		
Remeasurement of the defined benefit plans		61.14
Income tax relating to items that will not be reclassified to statement of profit and loss		
Remeasurement of the defined benefit plans		(22.18)
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX</b>		<b>38.96</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(19,007.11)</b>
<b>Earnings per Equity Share</b>		
Basic	36	(16.64)
Diluted		(16.64)

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See accompanying notes forming part of the financial statements

In terms of our report attached

**For Bagaria & Co. LLP**  
Chartered Accountants  
**FRN: 113447W/W-100019**

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

For and on behalf of Board of Directors

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Paresh Thakkar**  
Chief Financial Officer  
Place : Vadodara  
Date: 31st July, 2020

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Bhavesh Jingar**  
Company Secretary

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**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31ST MARCH, 2020**

PARTICULARS	₹ in Lakhs
	For the Year Ended on 31-Mar-2020
<b>(A) Cash Flows From Operating Activities</b>	
<b>Net Profit before Tax</b>	<b>(12,217.80)</b>
<b>Adjustments for:</b>	
Depreciation and amortisation expense	8,580.98
Finance costs	192.88
Interest income	(33.05)
Loss on disposal of property plant and equipment	-
Net (gain)/ loss on sale of investment	-
Net (gain)/ loss on financial liabilities designated as at fair value through profit or loss	-
<b>Operating Profit before working capital changes</b>	<b>(3,476.99)</b>
<b>Movements in working capital:</b>	
(Increase) in Trade receivables and other financial and non financial assets	3,741.62
Decrease/ (increase) in Inventories	1,932.21
Increase in Trade Payables, provisions and other financial and non financial liabilities	(324.74)
<b>Cash Generated From Operations</b>	<b>1,872.10</b>
Income taxes paid	-
<b>Net cash (used)/ generated by operating activities</b>	<b>1,872.10</b>
Add/(Less) : Exceptional Item	(6,668.31)
<b>Net cash (used)/ generated by operating activities after exceptional items</b>	<b>(4,796.21)</b>
<b>(B) Cash Flows From Investing Activities</b>	
Payments for property, plant and equipment	1,638.90
Payments for intangible assets	(6.60)
Purchase of investments	-
Interest Received	157.80
Bank deposits including Margin Money deposits (with original maturity more than 3 months)	10,618.53
<b>Net cash (used in) investing activities</b>	<b>12,408.63</b>
<b>(C) Cash Flows From Financing Activities</b>	
Proceeds / (Repayment) of long term borrowings	2,862.28
Proceeds / (Repayment) of short term borrowings	(10,295.31)
Interest Paid	(192.88)
Dividend paid on equity share	-
Tax paid on dividend declared	-
<b>Net Cash from financing activities</b>	<b>(7,625.91)</b>
<b>Net (decrease)/increase In Cash &amp; Cash Equivalents</b>	<b>(13.49)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>37.37</b>
<b>Cash &amp; Cash Equivalents at the end of the year ( Refer note 10)</b>	<b>23.88</b>
<b>Notes:</b>	
(a) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows	
(b) Cash & Cash Equivalents comprises of Cash on hand	16.92
Balances with banks	
In current accounts	6.96
<b>Cash &amp; Cash Equivalents in Cash Flow Statement</b>	<b>23.88</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of Board of Directors

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Dhirendra H Singh**  
Chairman and Managing Director  
DIN: 00626056

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

**Paresh Thakkar**  
Chief Financial Officer  
Place : Vadodara  
Date: 31st July, 2020

**Bhavesh Jingar**  
Company Secretary

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2020

₹ in Lakhs

Particulars	Equity Share Capital Note 14	Other Equity			Total Other Equity Note 15	Total Equity
		Retained Earnings Note 15.1	Securities premium reserve Note 15.2	General reserve Note 15.3		
Balance as at 31 March, 2019	11,446.24	(32,082.85)	84,996.67	430.00	53,343.82	64,790.06
Profit for the year	-	(19,046.07)	-	-	(19,046.07)	(19,046.07)
Other Comprehensive income for the year, net of income tax	-	38.96	-	-	38.96	38.96
TOTAL Comprehensive Income for the year	-	(19,007.11)	-	-	(19,007.11)	(19,007.11)
Balance as at 31 March, 2020	11,446.24	(51,089.96)	84,996.67	430.00	34,336.71	45,782.95

In terms of our report attached

For and on behalf of the Board of Directors

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN: 113447W/W-100019

**Dhirendra H Singh**  
Chairman & Managing Director  
DIN: 00626056

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Vinay Somani**  
Partner  
M. No. 143503  
Place : Mumbai  
Date: 31st July, 2020

**Paresh Thakkar**  
Chief Financial Officer

**Bhavesh Jingar**  
Company Secretary

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1 GENERAL INFORMATION

The Company was incorporated on December 17, 2010 in the state of Gujarat under the provisions of the Companies Act, 1956 with CIN No. L15549GJ2010PLC063283. The Company is in the business of fruits drinks. The Company's business operations, which were being carried out in a different entity, were taken over by the Company effective from 1st April 2011. Further, effective from August 5, 2011 the name of the Company was changed to Manpasand Beverages Private Limited. Subsequently, effective from October 7, 2014 the name of the Company has been changed to Manpasand Beverages Limited.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### (1) Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

#### (2) Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### (3) Application of New Accounting Pronouncements

The Company has applied the Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019. Accordingly, the Company has adopted Ind AS 116, Leases. Refer Note 2(5).

#### (4) Revenue Recognition

##### (a) Sale of Goods

The Company has its selling network across the country in the form of Channel Partners (CP) and Depots. Goods sent to Depot is considered as stock transfer and later on considered as sales when the goods are sold from depot. Revenue from sale of goods is inclusive of excise duties (upto June 30, 2017) and is net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and such amounts collected on behalf of third parties. Revenue is recognised as and when performance obligations are satisfied by the transferring goods or services to the Customer. Revenue from sale of products is recognised on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of Sale.

##### (b) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding.

#### (5) Leasing

##### Assets taken on lease:

The Company assesses whether a contract is or contains a lease, at inception of a contract. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The ROU asset is depreciated using the straightline method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term. If a lease transfers ownership of the underlying asset or the cost of the ROU asset reflects that the Company expects to exercise a purchase option, the related ROU asset is depreciated over the useful life of the underlying asset. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses.

##### Short term leases and leases of low value assets:

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense in the statement of profit and loss.

#### 6) Foreign Currencies

##### (a) Functional Currencies

The functional currency of the Company is the Indian rupee. These financial statement are presented in indian ruppees (rounded of to lakhs)

##### (b) Transactions and translations

In preparing the financial statements, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in



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terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**(7) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

**(8) Employee Benefits**

**(a) Short term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus are recognised in the period in which the employee renders the related services.

**(b) Other long-term Employee Benefit obligations**

The liabilities for earned leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured on the basis of independent actuarial valuation certificate as the present value of the expected future payments to be made in respect of service provided by the employees upto the end of the reporting period.

**(c) Post-Employment Benefits**

**(i) Defined Contribution Plan**

The Company's contribution to provident fund, and other funds are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

**(ii) Defined Benefit Plan**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Other comprehensive income in the period in which they occur. Past service cost is recognised in profit or loss in the period of a plan amendment.

**(d) Long term employee benefits**

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

**(9) Share based payment arrangements**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

**(10) Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### (11) Property, Plant and Equipment

Freehold land is carried at historical cost and not depreciated. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of the assets are as follows:

Asset	Useful Life
Buildings	30 years
Plant and Equipment	15 years
Furniture and Fixtures	10 Years
Vehicles	8-10 Years
Office Equipment	5 Years
Computers	3-6 Years

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the on Written Down Value (WDV) basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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 and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

#### (12) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Useful lives of intangible assets	
Computer Software	5 years

#### (13) Impairment of Tangible and Intangible assets other than goodwill

Intangible assets and property, plant and equipment 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 to which the asset belongs.

If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

#### (14) Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

#### (15) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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**(16) Financial Instruments**

The Company determines the classification of its financial assets and liabilities at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Initial Recognition The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date. Subsequent Measurement(a) Non-derivative financial instruments (i) Cash and Cash equivalentsThe Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets carried at amortised cost A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. (iii) Financial assets at fair value through profit or loss (FVTPL) A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. (b) Share capital Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity. Derecognition of financial instrumentsThe Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(17) Fair value of financial Instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include available quoted market prices and valuation reports from independent valuers. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

**(18) Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(19) Cash flow statement:**

Cash flows are reported using the indirect method, whereby net 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.

**3 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

The following are the critical judgements, apart from those involving estimations that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Useful lives and residual value of property, plant and equipment and intangible asset:

The Company reviews the useful life and residual value of property, plant and equipment and intangible asset as at the end of each reporting period. This reassessment may result in change in depreciation / amortisation expense in future periods.

**Income taxes :**

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions including set-off of available MAT credit in future years based on best estimate of revenue, expenses and tax positions for each future year.

**Contingent liability judgement :**

Note - 32 describes claims against the Company not acknowledged as debt. The Company evaluates each claim on its own or with the help of legal consultant and determines in case any provision is required or disclosure required as part of Contingent liabilities. In cases which includes certain penalties and charges payable to Government agency although as per the contracts, the Management, based on past experience, believes that the penalties and charges are negotiable and not certain and accordingly it is not considered as an obligation as at balance-sheet date and disclosed as contingent liabilities.

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#### 4 PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

##### A PROPERTY PLANT AND EQUIPMENT

₹ in Lakhs

	Land (Lease Hold)	Land (Free Hold)	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total	Capital Work in Progress
<b>Cost</b>										
Balance at April 1, 2019	1,203.89	4,929.44	15,484.10	73,290.28	160.04	225.38	53.67	113.20	95,460.00	
Additions				17.72			0.95		18.67	
Sale/ Disposal									-	
Recoupment / Adjustment				500.00					500.00	
<b>Balance at March 31, 2020</b>	<b>1,203.89</b>	<b>4,929.44</b>	<b>15,484.10</b>	<b>72,808.00</b>	<b>160.04</b>	<b>225.38</b>	<b>54.62</b>	<b>113.20</b>	<b>94,978.67</b>	
<b>Accumulated depreciation</b>										
Balance at April 1, 2019	25.40	-	3,191.54	32,738.80	96.28	173.88	42.20	102.16	36,370.26	
Depreciation/amortisation expense	12.19		1,171.00	7,352.86	16.53	15.31	4.99	4.67	8,577.55	
Recoupment / Adjustment									-	
Deductions									-	
<b>Balance at March 31, 2020</b>	<b>37.59</b>	<b>-</b>	<b>4,362.54</b>	<b>40,091.66</b>	<b>112.81</b>	<b>189.19</b>	<b>47.19</b>	<b>106.83</b>	<b>44,947.81</b>	
<b>Net Block</b>										
<b>As at March 31, 2020</b>	<b>1,166.30</b>	<b>4,929.44</b>	<b>11,121.56</b>	<b>32,716.34</b>	<b>47.23</b>	<b>36.19</b>	<b>7.43</b>	<b>6.37</b>	<b>50,030.86</b>	<b>624.89</b>

##### Notes:

- Freehold land at Bengaluru amounting to ₹ 235.32 lakhs is held in the name of ex-director on behalf of the Company being agricultural land. Necessary steps are being taken for obtaining the permission to use the same for industrial purpose and thereafter transferring the said land in the name of the Company.
- During the year, the Company impaired property, plant and equipment of ₹ 500 lakhs and Capital Work in progress ₹ 1200 Lakhs under its annual impairment testing basis its revival plan.  
The Company considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment.  
The recoverable amount of the CGU has been determined based on a value in use calculation using cash flow projections from financial projections approved by senior management covering a Five-year period.

#### PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

##### B. INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Computer Software
<b>Cost</b>	
Balance at April 1, 2019	37.71
Additions	-
Sale/ Disposal	-
<b>Balance at March 31, 2020</b>	<b>37.71</b>
<b>Accumulated depreciation</b>	
Balance at April 1, 2019	29.77
Depreciation/amortisation expense	3.43
Recoupment / Adjustment	-
Deductions	-
<b>Balance at March 31, 2020</b>	<b>33.20</b>
<b>Net Block</b>	
<b>As at March 31, 2020</b>	<b>4.51</b>

**5 DEFERRED TAX ASSETS (NET)**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Deferred Tax Assets</b>	
MAT Credit Entitlement	3,027.80
Others	9.25
<b>Deferred Tax Liabilities</b>	
Difference in carrying value and tax base of investment measured at FVTPL	(35.14)
	<b>3,001.91</b>

₹ in Lakhs

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred tax( liabilities)/assets in relation to:				
<b>2019-2020</b>				
MAT Credit Entitlement	3,187.75	(159.95)		3,027.80
Difference in carrying value and tax base of investment measured at FVTPL	(35.14)			(35.14)
Others	31.43		(22.18)	9.25
	<b>3,184.04</b>	<b>(159.95)</b>	<b>(22.18)</b>	<b>3,001.91</b>

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions including set-off of available MAT credit in future years based on best estimate of revenue, expenses and tax positions for each future year.

₹ in Lakhs

MAT Credit Entitlement	As Per Income Tax Act	Recognised in Books
For the FY 2017-18 (AY 2018-19)	826.00	826.00
For the FY 2018-19 (AY 2019-20)	-	-
For the FY 2019-20 (AY 2020-21)	-	-
	<b>826.00</b>	<b>826.00</b>

**6 OTHER ASSETS**

₹ in Lakhs

Particulars	As at 31-Mar-20
Capital advances	26,889.18
Less - Provision	(26,881.77)
<b>Capital advances (Net of Provisions)</b>	<b>7.41</b>
<b>Current assets</b>	
Advance to Suppliers	389.24
Prepayment of leasehold lands	-
Prepaid Expenses	2.69
Advance gratuity	29.17
Balance with GST and VAT Authorities	3,361.88
	<b>(A) 3,782.98</b>
Other Receivable	20.65
Less - Provision for doubtful recovery	-
Other Receivable (Net of Provisions)	<b>(B) 20.65</b>
	<b>3,803.63</b>

**7 INVENTORIES**

₹ in Lakhs

[At lower of cost and net realisable value]

Particulars	As at 31-Mar-20
Raw materials	866.76
Finished goods	51.07
	<b>917.83</b>

The cost of Inventories recognised as an expense during the year is disclosed in note 24, 25 and 26.

The Finished Goods include in Stock in Transit of ₹ NIL

The cost of Inventories recognised as expense includes ₹ NIL in respect of slow moving Inventory. There has been no reversal on account of above in current and previous year

**8 INVESTMENTS**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Non-Current Investments</b>	
Investments in Subsidiaries (at Cost)	
Fully paid Equity Share (Unquoted)	-
(No. of Share 10,000 (PY Nil) of ₹ 10 Each)	-

**9 TRADE RECEIVABLES**

₹ in Lakhs

Particulars	As at 31-Mar-20
Unsecured, considered good	240.41
Unsecured, considered doubtful	10,206.70
Less: Provision for unsecured doubtful debts	(10,206.70)
	<b>240.41</b>

**10. CASH AND CASH EQUIVALENTS**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Balances with banks</b>	
In Current Account	6.96
Cash on hand	16.92
	<b>23.88</b>

**11 OTHER BALANCES WITH BANKS**

₹ in Lakhs

Particulars	As at 31-Mar-20
Balances with banks	
In earmarked accounts	
Unpaid dividend accounts	1.46
Margin money deposits with maturity period of less than 12 months from the balance sheet date*	52.57
	<b>54.03</b>

\* Refer Note 13 (i)

**12 LOANS**

₹ in Lakhs

Particulars	As at 31-Mar-20
Employees loans and advances	10.43
	<b>10.43</b>

**13 OTHER FINANCIAL ASSETS**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Non-current assets</b>	
Security Deposits	164.13
Bank deposits with maturity period of more than 12 months from the balance sheet date	-
Margin money deposits with maturity period of more than 12 months from the balance sheet date	85.49
	<b>249.62</b>
<b>Current assets</b>	
Security Deposits	159.29
Interest accrued on deposits	4.38
	<b>163.67</b>
	<b>413.29</b>

**Note**

(i) Margin money deposits ₹ NIL are kept with banks for availing overdraft facility and ₹ 138.06 Lakhs against Bank Guarantees.

**14 SHARE CAPITAL**

₹ in Lakhs

Particulars	As at 31-Mar-20	
<b>Authorised</b>		
11,50,00,000 Equity Shares of ₹ 10 each with voting rights	11,500.00	
	<b>11,500.00</b>	
<b>Issued and Subscribed Capital comprises</b>		
11,44,62,396 Equity Shares of ₹ 10 each fully paid up with voting rights	11,446.24	
	<b>11,446.24</b>	
<b>Notes</b>		
(i) Movement of Share Capital		
	Number of Shares	Share Capital ₹ in Lakhs
Balance as at March 31, 2019	114,462,396	11,446.24
Balance as at March 31, 2020	114,462,396	11,446.24

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

**Notes:**

(i) Details of Shares held by Shareholders holding more than 5% shares

Particulars	As at March 31, 2020	
	Number of Shares	% holding of Equity Shares
DHIRENDRA HANSRAJ SINGH	50,730,000	44.32
SAIF PARTNERS INDIA IV LIMITED	20,112,000	17.57
SBI CONSUMPTION OPPORTUNITIES FUND	6,160,282	5.38

(ii) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash and Bonus Shares for the period of 5 years immediately preceding the Balance Sheet date

Particulars	Aggregate number of shares As at March 31, 2020
Fully paid up equity shares with voting rights By way of bonus shares	57,216,198

## 15 OTHER EQUITY

₹ in Lakhs

Particulars	As at 31-Mar-20
Retained Earnings	(51,089.96)
Securities premium	84,996.67
General reserve	430.00
	<b>34,336.71</b>

### (15.1) RETAINED EARNINGS

₹ in Lakhs

Particulars	As at 31-Mar-20
Balance at the beginning of the year	(32,082.85)
Profit attributable to the owners of the Company	(19,046.07)
Other Comprehensive Income arising from remeasurement of Defined Benefit Obligation net of Income Tax	38.96
<b>Balance at the end of the year</b>	<b>(51,089.96)</b>

### (15.2) SECURITIES PREMIUM RESERVE

₹ in Lakhs

Particulars	As at 31-Mar-20
Balance at the beginning of the year	84,996.67
Balance at the end of the year	<b>84,996.67</b>

### (15.3) GENERAL RESERVE

₹ in Lakhs

Particulars	As at 31-Mar-20
Balance at the beginning of the year	430.00
Balance at the end of the year	<b>430.00</b>

## 16 BORROWINGS

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Long-term borrowings, non-current portion</b>	
Secured	
from Bank	16.02
from Others	1,115.00
	<b>1,131.02</b>
Unsecured	
from Related Party	1,763.06
	<b>2,894.08</b>



		₹ in Lakhs
		As at 31-Mar-20
<b>Particulars</b>		
<b>Long-term borrowings, current portion</b>		
Secured		
from Bank		17.35
		<b>17.35</b>
<b>Short-term borrowings</b>		
Secured		
Overdraft against Fixed Deposit		(0.05)
		<b>(0.05)</b>
		<b>2,911.38</b>

Details of terms of repayment for the borrowings and security provided are as under:

		₹ in Lakhs
		As at 31-March-2020
Particulars	Terms of Repayment and Security	
<b>from banks:</b>	The vehicle loans were secured by hypothecation of the related vehicles. The same are repayable in equated monthly instalments varying from Rs. 16,201 to Rs. 31,205 over a period of 60 months.	33.37
<b>from Others:</b>	The Loans are secured as below: (a) Unconditional and Irrevocable Personal Guarantee of the promoterz Viz. Mr. Dhirendra Singh, Mr. Abhishek Singh. No Guarantee commission is payable to the guarantors. (b) Mortgages on three Units of Company (two at Vadodara and one at Ambala) (c) Pledge of equity shares (5,07,30,000 Nos.) held by Mr. Dhirendra Singh in the Company with voting rights. Also Refer Note No.41(c)	1,115.00
<b>Short Term Borrowings:</b>		
Overdraft Against Fixed Deposits	Short term borrowings is secured against term deposits held by the Company with the banks and repayable on demand. Overdraft accounts carry interest rate ranging from 7.25% to 7.85% p.a.	(0.05)

## 17 PROVISIONS

		₹ in Lakhs
		As at 31-Mar-20
<b>Particulars</b>		
<b>Non - Current Provisions</b>		
Provision for leave encashment (unfunded)		17.56
		<b>17.56</b>
<b>Current Provisions</b>		
Provision for leave encashment (unfunded)		1.59
Provision for gratuity		-
		<b>1.59</b>
		<b>19.15</b>

## 18 TRADE PAYABLES

		₹ in Lakhs
		As at 31-Mar-20
<b>Particulars</b>		
<b>Trade payables</b>		
Due to micro and small enterprises		-
Due to others		7,541.73
		<b>7,541.73</b>

The management is in the process of identifying the enterprises which have provided goods and services to the company and which qualify under the definition of Micro Small and Medium enterprises, as defined under Micro Small and Medium Enterprises Development Act, 2006.

**19 OTHER FINANCIAL LIABILITIES**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Current liabilities</b>	
Current maturities of long-term debt (Refer Note 16)	17.35
Unclaimed Dividend	1.46
Creditors for capital goods	760.76
	<b>779.57</b>

**20 TAX ASSETS AND LIABILITIES**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Non-current</b>	
<b>Current Tax Assets</b>	
Advance Tax (Net of Provision for Tax)	1,510.41
	<b>1,510.41</b>
<b>Current</b>	
<b>Current Tax Liabilities</b>	
Provision for Tax (Net of Advance tax )	-
	<b>1,510.41</b>

**21 OTHER LIABILITIES**

₹ in Lakhs

Particulars	As at 31-Mar-20
<b>Current liabilities</b>	
Payables to statutory authorities	3,278.09
Advances received from Customers	2,026.93
Deferred revenue	180.84
	<b>5,485.86</b>

The Company had imported machines against Advance Licencing Scheme of EPCG, but is yet to complete its export commitment. Since considerable time has elapsed and no exports have been done the company on prudent basis had recognised this as a liability. The Company has however obtained an extension for time in which this export commitment has to be met.

**22 REVENUE FROM OPERATIONS**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Sale of products- Fruits Drink (Including stock in trade)	4,082.92
	<b>4,082.92</b>

**23 OTHER INCOME**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Interest income	33.05
Net gain/(loss) on fair valuation of investments carried at FVTPL	-
Other non-operating Income	215.26
	<b>248.31</b>

**24 COST OF MATERIALS CONSUMED**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Opening Stock	1,833.20
Add: Purchases	1,606.15
	<b>3,439.35</b>
Less: Closing stock	866.76
	<b>2,572.59</b>

**25 PURCHASES OF STOCK IN TRADE**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Purchase of Manufactured Goods	-
	<b>-</b>

**26 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Opening stocks	
Finished goods	1,016.80
Less : Closing stocks	
Finished goods	51.07
Net (increase) / decrease in stock	<b>965.73</b>

**27 EMPLOYEE BENEFITS EXPENSE**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Salaries and Wages	1,129.24
Contributions to provident and other funds	126.07
Staff Welfare Expenses	20.15
	<b>1,275.46</b>

**28 FINANCE COSTS**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Interest costs on:	
Borrowings	40.96
Others	19.44
Charges against Prematurity of FD	131.47
Other borrowing cost	1.01
	<b>192.88</b>

**29 OTHER EXPENSES**

₹ in Lakhs

Particulars	For the Year Ended on 31-Mar-2020
Power and fuel	446.92
Labour Charges	92.03
Repairs & Maintenance	
Building	7.39
Plant & Machinery	5.17
Others	6.15
Rent	105.24
Legal and professional	188.27
Sales Promotion Discount	262.02
Branding and Advertisement Expenses	384.87
Payments to auditors	40.20
Travelling expense	166.48
Carriage outwards	647.19
Miscellaneous Expenses	608.27
Expenditure incurred for Corporate Social Responsibility	1.19
	<b>2,961.39</b>

**30 PAYMENT TO AUDITORS (EXCLUSIVE OF GST)**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020
(a) Statutory Audit fees	40.20
(b) Other services	0.05
(c) Out of pocket expenses	0.17
	<b>40.42</b>

**31 INCOME TAXES**
**A. The major components of income tax expense for the year are as under:**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020
<b>(i) Income tax recognised in the statement of Profit and loss</b>	
<b>Current tax</b>	
Current income tax	159.96
Current tax	159.96
Minimum alternate tax credit entitlement	-
<b>Deferred tax</b>	
Deferred tax liability relating to reversal of temporary difference (net)	-
	<b>159.96</b>
<b>(ii) Income tax expenses recognised in comprehensive income</b>	
Deferred tax (asset) on net loss on remeasurements of defined benefit plans	(22.18)
	<b>(22.18)</b>
Income tax expense reported in the statement of profit and loss	<b>(182.14)</b>

**B. Reconciliation of tax expense and the accounting profit for the year is as under:**

Particulars	For the Year Ended on 31-March 2020
<b>Profit before tax</b>	(12,217.80)
Current Tax pertaining to prior years	159.96
<b>Tax effect of</b>	
Income which is taxed at special rate	-
Others	22.18
<b>Tax expense as per Statement of Profit and loss</b>	<b>182.14</b>

**32 CONTINGENT LIABILITIES AND COMMITMENTS**

₹ in Lakhs

Particulars	For the Year Ended on 31-March 2020
<b>(a) Contingent liabilities:</b>	
1) Claims against the Company not acknowledged as debts	
i. Income Tax demand - Disputed by Company	1,486.92
ii. Sales Tax demand - Disputed by Company	55.36
iii. GST demand - Disputed by Company (Refer Note No.41(b))	1,777.62
<b>(b) Commitments:</b>	
There are no commitments	

**33 SEGMENT REPORTING**

The Company is in the business of "Fruit Drinks" and has only one reportable operating segment as per Ind AS 108 - Operating Segments. The same is consistent with the information provided to and reviewed by chief operating decision maker.

**34 FINANCIAL INSTRUMENTS**

**34.1 Capital Management**

The Company manages its capital to ensure that it will be able to continue as a Going Concern while maximising the return to stakeholders. The Company has minimum dependence on external debt and operates mainly through internal accruals and equity funding. The Company is not subject to any externally imposed capital requirements.

**34.2 Categories of financial instruments**

The carrying value of financial instruments by categories as of March 31, 2020 is as follows

Particulars	Fair value through profit or loss	Amortised Cost	Total Carrying value	Total fair value
<b>Financial Assets</b>				
Cash and Cash Equivalents	-	23.88	23.88	23.88
Other Balances with Banks	-	54.03	54.03	54.03
Investments	-	-	-	-
Trade receivables	-	240.41	240.41	240.41
Loans	-	10.43	10.43	10.43
Other financial asset	-	413.29	413.29	413.29
<b>Total</b>	<b>-</b>	<b>742.04</b>	<b>742.04</b>	<b>742.04</b>

Particulars	Fair value through profit or loss	Amortised Cost	Total Carrying value	₹ in Lakhs
				Total fair value
<b>Financial Liabilities</b>				
Short Term borrowings	-	(0.05)	(0.05)	(0.05)
Long Term borrowings	-	2,894.08	2,894.08	2,894.08
Trade Payables	-	7,541.73	7,541.73	7,541.73
Other financial liabilities	-	779.57	779.57	779.57
<b>Total</b>	-	<b>11,215.33</b>	<b>11,215.33</b>	<b>11,215.33</b>

### 34.3 Financial Risk Management objectives

The management of the Company monitors and manages the financial risks relating to the operations of the Company on a continuous basis. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Compliance with policies and exposure limits is reviewed internally on a continuous basis. The Company does not enter into any trade financial instruments, including derivative financial instruments and relies on natural hedge.

### 34.4 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company has a very limited exposure to foreign currency risk and thereby it has not hedged its foreign currency trade payables.

### 34.5 Foreign currency risk management

The functional currency of the company is Indian Rupees. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary items are restated at the end of each year. The same at the end of the reporting period are as follows:

Particulars	For the Year Ended on 31-March 2020	
	Currency	Amount in FC
Advance to Supplier	USD	10,909.00

### Foreign Currency Sensitivity Analysis

The Company is exposed to US Dollar.

The following table details the Company's sensitivity to a 5% increase and decrease in the Rupee against USD. 5% is a sensitivity rate used when reporting foreign currency internally to the key management personnel and represents management's assessment of the reasonably possible changes in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in the foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	₹ in Lakhs		
	Currency USD impact		
	Change in exchange rate	Profit for the year	Equity net of tax
<b>March 31 2020</b>			
Strengthening	5%	-0.41	-0.41
Weakening		0.41	0.41

### 34.6 Interest rate risk management

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company is not exposed to interest rate risk because the Company generally borrows funds at fixed interest rates and invests in deposits with bank carrying fixed interest rate.

### 34.7 Credit risk management

Credit risk refers to the risk that the counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of channel partners and depots based at different locations. Credit arises primarily from financial assets such as trade receivable, investment in mutual fund , other balances with bank and other receivables.

Regular monitoring of the receivables is undertaken by the Marketing Department. In case of new customers, the goods are generally supplied against advance receipts. The marketing department of the Company regularly discusses the credit risks, measures taken to address them and the status and level of risk after the measures taken. In case the receivables are not recovered even after regular follow up, the same is brought to the attention of the senior management and measures are taken to stop further supplies to the concerned party.

Credit risk arising from investment in mutual fund and other balance with bank is limited and there is no collateral held against these because the counter parties are bank and recognised financial institutions with high credit ratings.

### 34.8 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages its funds mainly from internal accruals. The liquidity risk is managed by maintaining adequate fixed deposits, investment in mutual funds and banking facilities and by matching the maturity profiles of financial assets and liabilities.

#### Exposure to Liquidity risk

The following tables detail the Company's remaining contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The Company had filed a Draft Red Herring Prospectus (DRHP) in November 2014 and Prospectus in June 2015 with one of the objects of utilising the proceeds of the Initial Public Offer (IPO) for the repayment/prepayment of its debt. Thus, as at April 1, 2015, the contractual maturity of the non derivative financial liabilities is considered to be less than six months although the Company was under no obligation to make the entire payment within such period.

Particulars	₹ In Lakhs				
	Less than 6 months	6 to 12 months	More than 12 months	Total	Carrying amount
<b>Year ended March 31, 2020</b>					
<b>Financial liabilities</b>					
Borrowings	9.07	8.23	2894.08	2,911.38	2,911.38
Trade payables	7,541.73	-	-	7,541.73	7,541.73
Other financial liabilities	779.57	-	-	779.57	779.57
<b>Total</b>	<b>8330.37</b>	<b>8.23</b>	<b>2894.08</b>	<b>11232.68</b>	<b>11232.68</b>

### 34.9 Fair Value Measurements

The Company has no financial instruments which has been measured at fair value.

## 35 DETAILS OF UNHEDGED EXPOSURE IN FOREIGN CURRENCY DENOMINATED MONETARY ITEMS

The Company has no unhedged exposure in foreign currency.

## 36 EARNINGS PER SHARE

#### Basic Earnings Per Share

Particulars	As at 31-March-2020
Profit for the year attributable to Equity Shareholders (Rupees in Lakhs)	(19,046.07)
Weighted average number of equity shares outstanding during the year	114,462,396
<b>Basic Earning Per Share (₹)</b>	<b>(16.64)</b>
Face Value Per Share	10.00

### Diluted Earnings per share

Particulars	As at 31-March-2020
Profit for the year (₹ in Lakhs)	(19,046.07)
Weighted average number of equity shares for Basic EPS	114,462,396
Add:	
a. Dilutive Employee Share Options	-
Weighted average number of equity shares for Diluted EPS	114,462,396
Diluted Earning Per Share (₹)	<b>(16.64)</b>
Face Value Per Share	10.00

## 37 EMPLOYEE BENEFIT PLANS

### Defined Contribution Plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Provident fund is managed through government administered fund. The Company recognised ₹ 125.50 Lakh net of subsidy received under PMRPY Scheme of ₹ -0.57 Lakhs for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

### Defined benefit plans

The Company offers the employee benefit scheme of gratuity to its employees as per Gratuity Act, 1972.

These plans typically expose the Company to various risks such as: actuarial risk, investment risk, liquidity risk, market risk and legislative risk.

Actuarial risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflow.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.



The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Valuation as at 31-Mar-20
Discount rate	6.55%
Salary growth rate	10.00%
Withdrawal rates	20% at younger ages reducing to 1% at older ages

Amounts recognised in the statement of profit and loss in respect of the defined benefit plans are as follows:

	₹ in Lakhs
Particulars	31-Mar-20
Amounts recognized in Profit & Loss Account	
a. Current Service Cost	32.30
b. Net interest cost	(2.08)
c. Prior year charge	-
<b>d. Components of defined benefit costs recognised in profit or loss</b>	<b>30.22</b>
Amounts recognised in Other Comprehensive Income	
a. Components of actuarial gain/losses on obligations:	
(i) Due to Change in financial assumptions	(17.45)
(ii) Due to change in demographic assumption	(0.04)
(iii) Due to experience adjustments	71.49
b. Return on plan assets excluding amounts included in interest income	7.14
<b>c. Components of defined benefit costs recognised in other comprehensive income</b>	<b>61.14</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	₹ in Lakhs
Particulars	As at 31-Mar-20
Present value of funded defined benefit obligation	190.46
Fair value of plan assets	219.63
Advance to gratuity trust*	-
<b>Net liability/(asset)</b>	<b>(29.17)</b>

Movements in the present value of the defined benefit obligation are as follows.

Particulars	As at 31-Mar-20
Opening defined benefit obligation	227.43
Current service cost	32.30
Interest cost	16.86
Actuarial loss/(gain) due to Change in financial assumptions	17.45
Actuarial loss/(gain) due to change in demographic assumption	0.04
Actuarial loss/(gain) due to experience adjustments	(71.49)
Prior year charge	-
Benefits Paid	(32.13)
<b>Closing defined benefit obligation</b>	<b>190.46</b>

Movements in the fair value of the plan assets are as follows.

Particulars	₹ in Lakhs
	As at 31-Mar-20
Opening Fair Value of Plan Assets	225.68
Interest income	18.93
Return on Plan assets excluding amounts included in interest income	7.14
Contributions	-
Benefits Paid	(32.13)
<b>Closing Fair Value of Plan Assets</b>	<b>219.63</b>

All plan assets are invested in Policy of Insurance.

Expected cashflows based on past service liability is as under:

Particulars	As at 31-Mar-20
Year 1	11.30
Year 2	15.33
Year 3	52.47
Year 4	11.01
Year 5	9.38
Year 6 to 10	51.48

Sensitivity to key assumptions is as under:

Particulars	As at 31-Mar-20
Discount Rate sensitivity	
Increase by 0.5%	-4.38%
Decrease by 0.5%	4.78%
Salary growth rate sensitivity	
Increase by 0.5%	4.60%
Decrease by 0.5%	-4.27%
Withdrawal rate sensitivity	
Increase by 0.5%	-2.18%
Decrease by 0.5%	2.43%

### 38 RELATED PARTY TRANSACTIONS

Details of related parties

Description of Relationship	Names of Related Parties
Key Management Personnel - Significant influence - holding more than 20%	Mr. Dharendra Singh (Chairman and Managing Director) from 1st April, 2019 upto 30th December, 2019 and from 3rd January, 2020 to 31st March, 2020)
Key Management Personnel - Significant influence - holding more than 20%	Mr. Dharendra Singh (Director) from 31st December, 2019 to 2nd January, 2020
Key Management Personnel	Mr. Abhishek Singh (Whole Time Director) from 1st April, 2019 upto 30th December, 2019 and from 3rd January, 2020 to 31st March, 2020)
Key Management Personnel	Mr. Abhishek Singh (Director) from 31st December, 2019 to 2nd January, 2020
Key Management Personnel	Mr. Paresk Thakkar (Chief Financial Officer)
Key Management Personnel	Mr. Bhavesh Jingar (Company Secretary) from 1st April, 2019 to 30th May, 2019 and again reappointed from 26th October 2019
Key Management Personnel	Ms. Shailika Soni (Company Secretary) from 6th September, 2019 upto 10th September, 2019
Post Employment Benefit Plan	Manpasand Beverages Limited Employees' Group Gratuity Fund

Other Related parties	Names of Related Parties
Significant Influence holding more than 20%	None
Significant Influence of Key Management Personnel	Manpasand Snack & Beverages Limited
Significant Influence of Key Management Personnel	Manpasand Nutritions Private Limited (Formerley X-Cite Nutritions Private Limited)
Wholly owned Subsidiary	Manpasand Products Private Limited (Incorporated as on 20th March 2019.)
Hindu Undivided Family where KMP is the Karta	D H Singh - HUF
Entity controlled by Director	Bipin & Co.
Relative of Key Management Personnel	Mr. Dhruv Aggrawal (Upto 26th May 2019)
Relative of Key Management Personnel	Mrs. Sushma Singh
Relative of Key Management Personnel	Mrs. Tetradevi
Relative of Key Management Personnel	Mr. Harshvardhan Singh
Relative of Key Management Personnel	Mr. Satyendra Singh
Relative of Key Management Personnel	Mr. Dharmendra Singh
Relative of Key Management Personnel	Mr. Gyanendra Singh
Relative of Key Management Personnel	Mrs. Monika Singh
Relative of Key Management Personnel	Ms. Sikha Singh
Director of Wholly owned Subsidiary	Mr. Vijay Panchal
Director of Wholly owned Subsidiary	Mr. Apoorva Dixit

**Note: Related Parties have been identified by the Management**

### 38.1 Transaction with related parties

(a). The remuneration of directors and other members of Key management personnel during the year was as follows:

Particular	₹ in Lakhs	
	For the year ended on 31-March-2020	
Short term benefits		
Mr. Dhirendra Singh (Chairman and Managing Director)		77.37
Mr. Abhishek Singh (Whole Time Director)		77.95
Mr. Paresh Thakkar (Chief Financial Officer)		23.49
Mr. Bhavesh Jingar (Company Secretary)		7.52
Mr. Vijay Panchal (Director of Wholly owned Subsidy)		4.27
Mr. Apoorva Dixit (Director of Wholly owned Subsidy)		15.28
		<b>205.88</b>
Post - employment benefits		
Mr. Dhirendra Singh (Chairman and Managing Director)		2.63
Mr. Abhishek Singh (Whole Time Director)		2.05
Mr. Paresh Thakkar (Chief Financial Officer)		0.49
Mr. Bhavesh Jingar (Company Secretary)		0.16
Mr. Vijay Panchal (Director of Wholly owned Subsidy)		0.09
Mr. Apoorva Dixit (Director of Wholly owned Subsidy)		0.32
		<b>5.74</b>
		<b>211.62</b>

The remuneration of directors are determined by the remuneration committee having regard to performance of individuals and market trends.

(b). The transaction with other related parties during the year was as follows:

Particular	₹ in Lakhs	
	For the year ended on 31-March-2020	
Post - employment benefits		
Manpasand Beverages Limited Employees' Group Gratuity Fund		-

Details of related party transactions during the year ended and balances outstanding as at:

Particular	Relationship	₹ in Lakhs
		For the year ended on 31-March-2020
<b>(a) Loan Taken</b>		
Mr. Dharendra Hansraj Singh	KMP	2,000.84
Mr. Abhishek Singh	KMP	243.14
<b>(b) Recovery of Salary</b>		
Mr. Dharendra Hansraj Singh	KMP	126.00
Mr. Abhishek Singh	KMP	26.00

**Note :** The Company has paid / provided towards managerial remuneration of ₹ 126.00 Lakhs to Mr. Dharendra Singh, as Chairman and Managing Director and ₹ 26.00 Lakhs to Mr. Abhishek Singh, as Whole Time Director for the F.Y. 2018-19 in excess of the managerial remuneration allowed as per the Schedule V of the Company's Act, 2013 which was subjected of passing a special resolution by the members in the annual general meeting held on 30th December, 2019. The Special Resolution could not be passed as the same was rejected by the members in the annual general meeting and accordingly such excess remuneration paid was recovered from Mr. Dharendra Singh and Mr. Abhishek Singh.

**Balance at year end:**

**Payables:**

**(a) Payable towards Loan**

Mr. Dharendra Singh	KMP	1,567.99
Mr. Abhishek Singh	KMP	195.07

**(b) Payable towards Salary**

Mr. Dharendra Singh	KMP	54.63
Mr. Abhishek Singh	KMP	91.67
Mr. Paresh Thakkar	CFO	10.34
Mr. Bhavesh Jingar	Company Secretary	4.01
Mr. Apporva Dixit	Director of Wholly owned Subsidiary	7.26

**(c) Payable towards Others**

Mr. Dhruv Agarwal	Director	0.81
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### 39 LEASES

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. Rent expense recorded for short-term leases was ₹ 105.24 lakhs for the year ended March 31, 2020. The Company's lease asset classes primarily consist of leases for land, office premises and godowns. 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 of 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 the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense in the statement of profit and loss.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in the 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 costs 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.

**Transition**

Effective from 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method, however as per the present lease terms there was no requirement for any cumulative adjustment to be made to retained earnings, on the date of initial application.

40 The breakup of Exceptional items includes the following

Particulars	₹ in Lakhs
	For the year ended on 31-Mar-2020
Provision for doubtful recovery against Capital Advances	-
Provision of Expected Credit Loss against Trade Receivables	4,968.31
Bad Debts Written off	6,526.92
Less: Provision for Expected Credit Loss written back to the extent of Bad Debts written off*	(6,526.92)
Provision for Impairment of Capital Work In Progress**	1,200.00
Provision for Impairment of Property, Plant & Equipment (Refer Note No. 4 (2))	500.00
Provision for doubtful recovery against Other Receivables	-
<b>Total Provisions</b>	<b>6,668.31</b>

\* The Company has evaluated and provided for expected credit losses of ₹ 4968.31 lakhs against Trade Receivables amounting to ₹ 5208.72 lakhs and written off ₹ 6526.92 Lakhs against the expected credit losses of ₹ 117,65.30 Lakhs provided during previous financial year in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country after considering the potential impact on account of COVID-19. The Company is exploring all remedies required to recover these amounts.

\*\* The Company has also been constructing a new plant at Sricity in Andhra Pradesh (referred as "Sricity Project"). However due to the disruptions during FY 2019-20, the project was stalled for more than a year. The Company expects to recover 40% of the Carrying value of the Capital Work in Progress at its Sricity project. The Company has accordingly made an impairment provision of ₹ 1200 lakhs in relation to such Capital Work in Progress.

41 The Company has faced certain critical events / aggressive competition and foul plays from some competitors / market forces during the year and period subsequent to balance sheet date resulting into disturbed operations, distribution, collections and operational losses during the current year owing to events explained hereunder below:

a. The Company in its efforts to consolidate its huge dealer – retailer network moved to a chain of large channel partners who would in turn manage and operate the dealer – retailer network which is a successful model in the industry and in other countries. However the implementation of this model was disrupted by the negative market forces and aggressive competition in the market and claims from the Channel Partner towards damages / expired life which was a result of their inability to timely distribute the products of the Company to the retail chain and maintain the presence of Company products.

b. The Company faced search and seizure proceedings from Central Goods and Service Tax (CGST) Commissionerate, Vadodara and pursuant to that, the top officials of the Company were sent to judicial custody without giving the Company any opportunity of fair adjudication process which severely disrupted the operations of the Company. This event, coupled with the aggressive competition and foul plays from negative market forces, disturbed entire operations and distribution network of the Company. The Company's top officials were kept under judicial custody even after their full co-operation during the entire search and investigation proceedings even after deposit of an amount of ₹ 1,777.36 lakhs claimed by the CGST authorities. This payment has been made by the Company under protest to secure bail from judicial custody of its officials. The said payment has been made entirely out of the unsecured loan of Rs. 2,074.16 lakhs introduced by the Promoter(s) into the Company. It is denied that the company or its directors had ever falsely claimed such excess input tax credit as alleged or for reasons alleged and the matter regarding the claim of input tax credit by the Company, is sub-judice. Till date, the department has not issued any Demand Notice or Show Cause Notice or any other document of such nature towards the Company.

c. Between June 2019 to September 2019, the Company also faced an illegal hostile takeover attempt from a NBFC named Finquest Financial Solutions Private Limited ("FFSPL"), who agreed to infuse ₹ 100 Crores into the Company during the period when top officials were in judicial custody and the Company was facing liquidity crunch due to disruption of operations. FFSPL unlawfully took over the board of the Company and created mortgages on three Units of Company (two at Vadodara and one at Ambala) and promoter shareholding without fulfilling the lending arrangement under the contract entered with the Company. Against the promised loan of ₹ 100 crores, FFSPL disbursed only ₹ 11.15 crores till date. In September 2019, FFSPL tried to acquire shares of the Company held by Mr. Dharendra Singh (CMD) through exercise of some Call letter and also transfer of pledged shares. These intentions of FFSPL hinted towards an attempt to illegal hostile takeover of the Company by committing fraud and deceiving its stakeholders. The said attempt of FFSPL to acquire the Promoter shareholding has been stayed by National Company Law Tribunal ("NCLT"), Ahmedabad Bench as stipulated therein vide its order dated 13th September 2019. Also, an FIR has been lodged dated 27th September 2019 against the officials of the FFSPL (accused) and the authorities are investigating the matter. One of the accused was arrested by the Investigating agency in March 2020 and was kept under judicial custody for almost four months. An FIR has also been filed with the Economic Offences Wing (Mumbai Branch) on 12th December 2019 against the officials of FFSPL. In the opinion of the Management, no interest is payable in relation to the outstanding loan amount of FFSPL in view of violation of terms and conditions of term sheet and / or loan agreement. Accordingly, no provision has been made towards interest on such loan amount till the matter is decided.

d. Due to above events the production and distribution were drastically disturbed, in the period post May 2019. The Company faced a higher attrition of talented, experienced and trusted employees during these challenging times. Accordingly, the management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth.

e. The management anticipates certain challenges to resume its normal scale of operations and feels that the existing capacity is sufficient to achieve its normal scale of operations with moderate growth. Further the provisional allotment of Lease hold Land by Odisha Industrial Infrastructure Development Corporation (IDCO) at Khurdha, Odisha has been cancelled vide their order dated 07.09.2019. Accordingly the management have strategically reassessed the implementation of its pending capital projects in view of the additional capital commitment of approx. ₹ 20,209.91 lakhs in relation to such unexecuted contracts and has decided to not pursue such capital projects till further reassessment/feasibility. As per the Trade Practice such capital advances are given to enable the Vendors to make or procure capital assets on our behalf. The Management is making efforts to obtain extensions from the Vendors to fulfill such capital commitments or realize certain advances wherever possible. However as a matter of prudence, Capital Advances paid in relation to such projects aggregating to ₹ 26,881.77 lakhs have been provisioned for doubtful recovery as an exceptional item and amounts paid towards provisional allotment of Land have been classified as receivable from IDCO amounting to ₹ 200.00 lakhs net of provision for doubtful recovery ₹ 40.55 lakhs towards any deductions that may arise in the refund and the said refund amounts to ₹ 197.98 Lakhs which is received by the Company on 16th December 2019.

f. The Company has evaluated and provided for expected credit losses of CY ₹ 4,968.31 (PY ₹ 11,765.31 lakhs) against Trade Receivables amounting to CY ₹ 5,208.72 (PY ₹ 17,502.30 lakhs) in view of the events explained above and estimated time period required to resume operations and re-establish the disturbed distribution chain at desired level across the country.

- 42 The Company has paid / provided managerial remuneration of ₹ 55.80 lakhs to Chairman / Managing Director and Whole Time Director for the period 1st January 2020 to 31st March 2020 is subject to shareholder approval in the general meeting.
- 43 As highlighted in point 41 (b) above, GST searches and investigations were conducted at 3 units of the Company, as a result certain records and documents were seized by the authorities viz, Sales and Purchase Invoices with their appropriate supportings, Inward & Outward Registers, Hard Disks etc. This coupled with the attrition of employees as explained in point 41 (d) above has weakened certain established internal controls and record keeping. The Company is trying to establish all the pre-existing controls and trying to retrieve copy of documents and records seized. Many of the old employees have joined back the Company and the Company is in process to strengthen all its internal controls and complete any pending compliances as soon as possible.
- 44 The accounts of certain Loans & Advances given, Trade Receivables, Other Current Assets, Trade Payables, Other liabilities and inter party adjustments/settlements as per the acceptable trade practices are subject to pending confirmations, reconciliations and adjustments. The Management does not expects any material adjustments in this regard.
- 45 In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporary closure of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company fell under non-essential category, these restrictions had substantially impacted its operations at plants. The Company has since, after receiving applicable permissions, partially commenced operations including dispatch of goods to its customers at some of its manufacturing facilities and has been scaling up the same gradually. The Management believes that it has considered all possible impacts of COVID-19 and other disrupting events on the carrying amounts of Property, Plant and Equipment, Inventories, Trade Receivable and Other Current Assets. To assess the recover ability, the Company has considered internal and external sources of information / indicators up to the date of approval of these financial results. Based on current indicators of future economic conditions, the Company expects to recover the net carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone and consolidated financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.
- 46 The figures for the corresponding previous year have been regrouped/ reclassified wherever necessary, to make them comparable.

#### 47 APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved for issue by the Board of Directors on July, 31 2020.

In terms of our report attached

**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN : 113447W/W-100019

**Vinay Somani**  
Partner  
M.No. : 143503  
Place : Mumbai  
Date: July 31, 2020

**For and on behalf of the Board of Directors**

**Dhirendra H. Singh**  
Chairman & Managing Director  
DIN: 00626056

**Paresh Thakkar**  
Chief Financial Officer

**Abhishek D. Singh**  
Whole time Director  
DIN: 01326637

**Bhavesh Jingar**  
Company Secretary



## **MANPASAND BEVERAGES LIMITED**

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