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**Allied Blenders
& Distillers**

DRAFT RED HERRING PROSPECTUS

Dated: **June 27, 2022**

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

(Please read Section 32 of the Companies Act, 2013)

100% Book Building Offer

ALLIED BLENDERS AND DISTILLERS LIMITED

CORPORATE IDENTITY NUMBER: U15511MH2008PLC187368

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
394-C Lamington Chambers, Lamington Road, Mumbai- 400 004, Maharashtra, India	Ashford Center, 3 rd and 4 th floor, Shankar Rao Naram Marg, Lower Parel (West), Mumbai- 400 013, Maharashtra, India	Ritesh Ramniklal Shah, Company Secretary and Compliance Officer	Complianceofficer @abdindia.com +91 22 43001111	www.abdindia.com

OUR PROMOTERS: KISHORE RAJARAM CHHABRIA, BINA KISHORE CHHABRIA, RESHAM CHHABRIA JEETENDRA HEMDEV, BINA CHHABRIA ENTERPRISES PRIVATE LIMITED, BKC ENTERPRISES PRIVATE LIMITED, ORIENTAL RADIOS PRIVATE LIMITED AND OFFICER'S CHOICE SPIRITS PRIVATE LIMITED

DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

Type	Fresh Issue Size	Offer for Sale size	Total Offer size	Eligibility and Share Reservation among QIBs, NIBs, RIBs & Eligible Employees
Fresh Issue and Offer for Sale	Up to [●] Equity Shares aggregating up to ₹10,000 million	Up to [●] Equity Shares aggregating up to ₹10,000 million	Up to [●] Equity Shares aggregating up to ₹20,000 million	The Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations, as the Company fulfils the requirements set out under Regulation 6(1) of the SEBI ICDR Regulations. For details, see "Offer Structure" on page 450.

DETAILS OF THE OFFER FOR SALE BY PROMOTER(S)/PROMOTER GROUP

Name of the Selling Shareholder	Type	Number of Equity Shares being offered / amount	WACA (in ₹) per Equity Share*
Bina Kishore Chhabria	Promoter	Up to [●] Equity Shares, aggregating up to ₹5,000 million	0.04
Resham Chhabria Jeetendra Hemdev	Promoter	Up to [●] Equity Shares, aggregating up to ₹2,500 million	0.05
Neesha Kishore Chhabria	Promoter Group	Up to [●] Equity Shares, aggregating up to ₹2,500 million	0.03

*As certified by S D T & Co, the Independent Chartered Accountant pursuant to its certificate dated June 27, 2022.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 2 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Offer Price determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page 125 of this DRHP, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this DRHP. Specific attention of the investors is invited to "Risk Factors" on page 34.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this DRHP contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this DRHP is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this DRHP as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only statements and undertakings expressly made by such Selling Shareholder in this DRHP solely in relation to itself and the Equity Shares being offered by it in the Offer for Sale and confirms that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the RHP are proposed to be listed on the Stock Exchanges. For the purposes of the Offer, [●] is the Designated Stock Exchange.

DETAILS OF THE BOOK RUNNING LEAD MANAGERS

 ICICI Securities Limited	Contact Person(s): Monank Mehta	Telephone: +91 6807 7100 Email: alliedblenders.ipo@icicisecurities.com
 Axis Capital Limited	Contact Person(s): Sagar Jatakiya / Harish Patel	Telephone: +91 22 4325 2183 Email: abdl.ipo@axiscap.in
 JM Financial Limited	Contact Person(s): Prachee Dhuri	Telephone: +91 22 6630 3030/+91 22 6630 3262 Email: alliedblenders.ipo@jmfl.com
 Kotak Mahindra Capital Company Limited	Contact Person(s): Ganesh Rane	Telephone: +91 22 4336 0000 Email: abdl.ipo@kotak.com
 Equirus Capital Private Limited	Contact Person(s): Vaibhav Shah	Telephone Number: +91 22 4332 0735 Email: abdl.ipo@equirus.com

REGISTRAR TO THE OFFER

Link Intime India Private Limited	Contact Person(s): Shanti Gopalkrishnan	Telephone: +91 22 4918 6200 Email: abdl.ipo@linkintime.co.in
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BID/OFFER PERIOD**ANCHOR OFFER PORTION
OPENS/CLOSES ON**

[•]*

BID/OFFER OPENS ON

[•]

BID/OFFER CLOSES ON

[•]**

* Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

** Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.



ALLIED BLENDERS AND DISTILLERS LIMITED

Allied Blenders and Distillers Limited was originally incorporated as 'You and Me Properties Private Limited', pursuant to a certificate of incorporation dated October 8, 2008, issued by the RoC. The name of our Company was changed to 'Moonlight Blenders and Distillers Private Limited', and a fresh certificate of incorporation dated July 22, 2009 was issued by the RoC. Pursuant to a scheme of amalgamation between Allied Blenders and Distillers Private Limited, Our Own Properties Private Limited and our Company, dated April 1, 2009, and an order of the Bombay High Court dated February 5, 2010, the entire business undertakings of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited were transferred to our Company. Consequently, the name of our Company was changed to 'Allied Blenders and Distillers Private Limited', and a fresh certificate of incorporation dated April 30, 2010, was issued by the RoC. Subsequently, pursuant to a resolution of our Board dated June 2, 2022 and a resolution of our Shareholders dated June 4, 2022, our Company was converted from a private company to a public company and consequently, our name was changed from 'Allied Blenders and Distillers Private Limited' to 'Allied Blenders and Distillers Limited', and a fresh certificate of incorporation under the Companies Act, 2013 was issued upon a change in name by the RoC on June 8, 2022.

Corporate Identity Number: U15511MH2008PLC187368; Website: www.abdindia.com;

Registered Office: 394-C Lamington Chambers, Lamington Road, Mumbai - 400004, Maharashtra, India; Telephone: +91 22 6779777

Corporate Office: Ashford Center, 3rd and 4th floor, Shankar Rao Naram Marg, Lower Parel (West), Mumbai - 400013, Maharashtra, India; Telephone: +91 22 43001111

Contact Person: Ritesh Ramniklal Shah, Company Secretary and Compliance Officer; Telephone: +91 22 43001111; E-mail: complianceofficer@abdindia.com

OUR PROMOTERS: KISHORE RAJARAM CHHABRIA, BINA KISHORE CHHABRIA, RESHAM CHHABRIA JEETENDRA HEMDEV, BINA CHHABRIA ENTERPRISES PRIVATE LIMITED, BKC ENTERPRISES PRIVATE LIMITED, ORIENTAL RADIOS PRIVATE LIMITED AND OFFICER'S CHOICE SPIRITS PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 20,000 MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 10,000 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹ 10,000 MILLION COMPRISING OF [●] EQUITY SHARES BY BINA KISHORE CHHABRIA AGGREGATING UP TO ₹ 5,000 MILLION, [●] EQUITY SHARES BY RESHAM CHHABRIA JEETENDRA HEMDEV AGGREGATING UP TO ₹ 2,500 MILLION AND [●] EQUITY SHARES BY NEESHA KISHORE CHHABRIA AGGREGATING UP TO ₹ 2,500 MILLION (THE "SELLING SHAREHOLDERS" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER MAY INCLUDE A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (CONSTITUTING UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEE(S) (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), MAY OFFER A DISCOUNT OF UP TO [●]% OF THE OFFER PRICE TO ELIGIBLE EMPLOYEE(S) BIDDING IN THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"), SUBJECT TO NECESSARY APPROVALS, AS MAY BE REQUIRED. THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS "NET OFFER". THE OFFER AND NET OFFER SHALL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS AND THE SELLING SHAREHOLDERS, MAY CONSIDER UNDERTAKING A FURTHER ISSUE OF EQUITY SHARES OR ANY OTHER SECURITIES OF THE COMPANY, AS MAY BE PERMISSIBLE THROUGH A PREFERENTIAL ISSUE OR ANY OTHER METHOD AS MAY BE PERMITTED IN ACCORDANCE WITH APPLICABLE LAW TO ANY PERSON(S), FOR A CASH CONSIDERATION AGGREGATING UP TO ₹ 2,000 MILLION, BETWEEN THE DATE OF THIS DRAFT RED HERRING PROSPECTUS TILL THE FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"), SUBJECT TO APPROPRIATE APPROVALS. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND SELLING SHAREHOLDERS, AND THE PRE-IPO PLACEMENT WILL BE COMPLETED PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE AMOUNT RAISED FROM THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SCRR. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), TOGETHER WITH BSE, THE "STOCK EXCHANGES" FOR UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders, in consultation with Book Running Lead Managers, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and by indicating the change on the respective websites of the Book Running Lead Managers and at the terminals of the Syndicate Member(s) and by intimation to the Designated Intermediaries and the Sponsor Banks.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"), and such portion, the "QIB Portion", provided that our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders, out of which a one third of such portion shall be reserved for applicants with application size of more than ₹ 0.2 million and up to ₹ 1.0 million and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹ 1.0 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Furthermore, up to [●] Equity Shares will be available for allocation to Eligible Employees, subject to valid Bids being received from them at or above the Issue Price (net of Employee Discount, if any, as applicable for the Employee Reservation Portion). All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For further details, see "Offer Procedure" on page 457.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 2 each. The Floor Price, Cap Price and Offer Price, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company, nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 34.

OUR COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, Selling Shareholders, accepts responsibility for, and confirms, that the statements specifically made or confirmed by it in this Draft Red Herring Prospectus to the extent that the statements and information specifically pertain to it and the Equity Shares offered by it under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect. The Selling Shareholders assume no responsibility for any other statement, including, inter-alia, any of the statements made by or relating to the Company or its business.

LISTING

The Equity Shares, once offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from the BSE and the NSE for listing the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For further details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 551.

BOOK RUNNING LEAD MANAGERS

BOOK RUNNING LEAD MANAGERS				REGISTRAR TO THE OFFER	
ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025 Maharashtra, India Telephone: +91 (22) 6807 7100 E-mail: abd.ipo@icicisecurities.com alliedblenders.ipo@icicisecurities.com Website: www.icicisecurities.com Investor Grievance ID: customercare@icicisecurities.com Contact person: Monank Mehta SEBI Registration No.: INM000011179	Axis Capital Limited 1 st Floor, Axis House, C-2 Wadia International Centre, PB Marg, Worli, Mumbai 400 025, Maharashtra, India Telephone: + 91 22 4325 2183 E-mail: abd.ipo@axiscap.in Website: www.axiscapital.co.in Investor Grievance E-mail: complaints@axiscap.in Contact Person: Sagar Jatakiya / Harish Patel SEBI Registration No.: INM000012029	JM Financial Limited 7 th Floor, Energy Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India Telephone: +91 22 6630 3030/ +91 22 6630 3262 E-mail: alliedblenders.ipo@jmf.com Website: www.jmf.com Investor Grievance E-Mail: grievance.ibd@jmf.com Contact person: Prachee Dhuri SEBI Registration No.: INM000010361	Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C - 27 "G" Block, Bandra Kurla Complex Bandra (East), Mumbai 400051 Maharashtra, India. Telephone: +91 (22) 4336 0000 E-mail: abd.ipo@kotak.com Website: http://investmentbank.kotak.com Investor Grievance ID: kmccredressal@kotak.com Contact Person: Ganesh Rane SEBI Registration No.: INM000008704	Equirus Capital Private Limited 12 th Floor, C Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai 400 013, Maharashtra India Telephone: +91(22) 4332 0735 E-mail: abd.ipo@equirus.com Website: www.equirus.com Investor Grievance e-mail: investorsgrievance@equirus.com Contact Person: Vaibhav Shah SEBI Registration Number: INM000011286	Link Intime India Private Limited C-101, 1 st Floor, 247 Park L.B.S. Marg Vikhroli (West), Mumbai 400 083, Maharashtra, India Telephone: +91 22 4918 6200 E-mail: abd.ipo@linkintime.co.in Investor grievance e-mail: abd.ipo@linkintime.co.in Website: www.linkintime.co.in Contact person: Shanti Gopalkrishnan SEBI registration number: INR000004058

BID/OFFER PROGRAMME

ANCHOR OFFER PORTION BID OPEN/CLOSE DATE	[●]*	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSES ON	[●]**
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*Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

**Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise implies or requires, or unless otherwise specified, shall have the meaning as assigned below. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto, as of the date of this Draft Red Herring Prospectus, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Industry Overview”, Key Regulations and Policies”, “Statement of Possible Special Tax Benefits”, “Financial Information”, “Basis for Offer Price”, “Outstanding Litigation and Material Developments”, “Objects of the Offer”, “History and Certain Corporate Matters”, “Financial Indebtedness”, and “Description of Equity Shares and Terms of Articles of Association”, on pages 137, 206, 128, 272, 125, 410, 115, 219, 405 and 479, respectively, will have the meaning ascribed to such terms in those respective sections.

Company and Selling Shareholders related terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Allied Blenders and Distillers Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 394-C Lamington Chambers, Lamington Road, Mumbai–400004 Maharashtra, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiaries.
“Articles” or “Articles of Association” or “AoA”	The articles of association of our Company, as amended.
“ABD Dwellings”	ABD Dwellings Private Limited
“ABD Dwellings Agreement”	Agreement for sale of equity shares and compulsorily convertible debentures dated June 15, 2022 amongst ABD Dwellings, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria and our Company
“ABD LLP MoU”	Memorandum of Understanding dated April 12, 2022 amongst Rajesh Ankushrao Tope, OSCORP Trade Services Private Limited and our Company
“ABD Scheme”	Scheme for the transfer of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited to our Company pursuant to an order of the High Court of Bombay dated February 5, 2010.
“Audit Committee”	The audit committee of our Board constituted in accordance with the Companies Act and the Listing Regulations, and as described in “ <i>Our Management</i> ” on page 231.
“BKCEPL”	One of our Corporate Promoters, BKC Enterprises Private Limited.
“Board” or “Board of Directors”	The board of directors of our Company, as described in “ <i>Our Management</i> ” on page 231.
“CCDs”	8.5% compulsorily convertible debentures of face value ₹117 each.
“Chief Financial Officer” or “CFO”	Chief financial officer of our Company, being Ramakrishnan Ramaswamy.
“Chitwan”	Chitwan Blenders & Bottlers Private Limited
“Company Secretary and Compliance Officer”	Company secretary and compliance officer of our Company, being Ritesh Ramniklal Shah.
“Corporate Office”	Corporate office of our Company, located at Ashford Center, 3 rd and 4 th floor, Shankar Rao Naram Marg, Lower Parel (West), Mumbai- 400013, Maharashtra, India.
“Corporate Promoters”	Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited, and Officer’s Choice Spirits Private Limited.
“Corporate Social Responsibility Committee” or “CSR Committee”	Corporate social responsibility committee of our Board constituted in accordance with the Companies Act as described in “ <i>Our Management</i> ” on page 231.
“Director(s)”	Director(s) on the Board, as appointed from time to time.
“Deccan”	Deccan Star Distilleries India Private Limited
“Erstwhile BKCEPL”	Our erstwhile holding company, BKC Enterprises Private Limited.
“Erstwhile BKCEPL Amalgamation”	Amalgamation of Erstwhile BKCEPL with our Company, as described in “ <i>History and Certain Corporate Matters</i> ” on page 219.
“Equity Shares”	Equity shares of our Company of face value of ₹ 2 each.

Term	Description
“Executive Director”	Executive director(s) on our Board. For further details of the Executive Directors, see “ <i>Our Management</i> ” on page 231.
“Group Companies”	Our group companies, as disclosed in “ <i>Our Group Companies</i> ” on page 266.
“HCIPL”	Henkell & Company India Private Limited.
“HCIPL Amalgamation”	Amalgamation of Henkell & Company India Private Limited with our Company, as described in “ <i>History and Certain Corporate Matters</i> ” on page 219.
“IPO Committee”	The IPO committee of our Board, as described in “ <i>Our Management</i> ” on page 231.
“Independent Director”	A non-executive, independent Director appointed as per the Companies Act and the Listing Regulations. For further details of our Independent Directors, see “ <i>Our Management</i> ” on page 231.
“KMP” or “Key Managerial Personnel”	Key managerial personnel of our Company in terms of the SEBI ICDR Regulations, which includes key managerial personnel in terms of the Companies Act, 2013, as disclosed in “ <i>Our Management</i> ” on page 231.
“Madanlal”	Madanlal Estates Private Limited
“Madanlal Agreement”	Agreement for sale of equity shares and compulsorily convertible debentures dated June 15, 2022 amongst Madanlal, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria and our Company
“Material Subsidiaries”	Chitwan Blenders & Bottlers Private Limited, NV Distilleries & Breweries (AP) Private Limited and Sarthak Blenders & Bottlers Private Limited.
“Materiality Policy”	The materiality policy of our Company adopted pursuant to a resolution of our Board dated June 23, 2022 for the identification of material (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus.
“Memorandum” or “Memorandum of Association” or “MoA”	The memorandum of association of our Company, as amended.
“Nomination and Remuneration Committee”	The nomination and remuneration committee of our Board, constituted in accordance with the Companies Act and the Listing Regulations, and as described in “ <i>Our Management</i> ” on page 231.
“Non-Executive Director and Co-Chairperson”	Non-Executive Director and Co-Chairperson of the Board of Directors of our Company, being Bina Kishore Chhabria..
“Non-Independent, Non-Executive Director”	Non-Independent, Non-Executive Director of the Board of Directors of our Company, being Maneck Navel Mulla.
“NCCPS”	0.01% non-cumulative convertible preference shares of ₹ 10 each.
“Non- Executive Director”	Non-Executive Director of our Company, as disclosed in “ <i>Our Management</i> ” on page 231.
“NV Distillers”	NV Distilleries & Breweries (AP) Private Limited
“OCCRPS”	15% optionally convertible cumulative redeemable preference shares of ₹10 each.
“Promoters”	Promoters of our Company namely, Kishore Rajaram Chhabria, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited, and Officer’s Choice Spirits Private Limited. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 257.
“Preference Shares”	15% optionally convertible cumulative redeemable preference shares of ₹10 each, and 0.01% non-cumulative convertible preference shares of ₹ 10 each.
“Promoter Group”	Such individuals and entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see “ <i>Our Promoters and Promoter Group</i> ” on page 257.
“Promoter Selling Shareholders”	Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria.
“Registered Office”	The registered office of our Company located at 394-C Lamington Chambers, Lamington Road, Mumbai– 400004 Maharashtra.
“Registrar of Companies” or “RoC”	Registrar of Companies, Maharashtra at Mumbai.
“Restated Consolidated Financial Information”	The restated consolidated summary statements of our Company, as at December 31, 2021 and March 31, 2021, March 31, 2020 and March 31, 2019, comprise the restated consolidated balance sheet as at and for nine month period ended December 31, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated statement of cash flows for the nine month period ended December 31, 2021 and the years ended March 31, 2021, March 31, 2020 and March 31, 2019 of our Company, and the statement of significant accounting policies, and other explanatory information thereon, has been derived from audited interim consolidated financial statements as at and for the nine month period ended December 31, 2021 and audited consolidated financial statements as at and for the years ended March 31, 2021, 2020 and 2019 together with the annexures and notes thereto prepared in accordance with Ind AS, and together with the annexures and notes thereto, and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in

Term	Description
	Company Prospectuses (Revised 2019)” issued by the ICAI. The audited interim consolidated financial statements as at and for nine month period ended December 31, 2021 and audited consolidated financial statements as at and for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 were audited by Walker Chandiook & Co LLP, Chartered Accountants.
“Risk Management Committee”	The risk management committee constituted in accordance with the Listing Regulations, and as described in “ <i>Our Management</i> ” on page 231.
“Selling Shareholders”	Collectively, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev and Neesha Kishore Chhabria.
“Shareholder(s)”	The equity shareholders of our Company whose names are entered into (i) the register of members of our Company; or (ii) the records of a depository as a beneficial owner of Equity Shares.
“Stakeholders’ Relationship Committee”	The stakeholders’ relationship committee constituted in accordance with the Companies Act and the Listing Regulations, and as described in, “ <i>Our Management</i> ” on page 231.
“Sarthak”	Sarthak Blenders & Bottlers Private Limited
“Statutory Auditors”	The statutory auditors of our Company, being Walker Chandiook & Co LLP, Chartered Accountants.
“Subsidiaries”	The subsidiaries of our Company as on the date of this Draft Red Herring Prospectus, namely: <ol style="list-style-type: none"> 1. ABD Dwellings Private Limited; 2. Chitwan Blenders & Bottlers Private Limited, 3. Deccan Star Distilleries India Private Limited, 4. Madanlal Estates Private Limited 5. NV Distilleries & Breweries (AP) Private Limited, and 6. Sarthak Blenders & Bottlers Private Limited.
“TIPL”	Tracstar Investments Private Limited.
“TIPL Demerger”	Demerger of the bottling and distillery business undertaking from TIPL into our Company, as described in “ <i>History and Certain Corporate Matters</i> ” on page 219.
“UBBPL”	Unokoti Bottling and Beverage Private Limited
“UBBPL Amalgamation”	Amalgamation of UBBPL with our Company, as described in “ <i>History and Certain Corporate Matters</i> ” on page 219.
“WDPL”	Wales Distillers Private Limited
“WDPL Amalgamation”	Amalgamation of WDPL with our Company, as described in “ <i>History and Certain Corporate Matters</i> ” on page 219.
“Whole-Time Director (Chairman)”	Whole-Time Director (Chairman) of our Company, being Kishore Rajaram Chhabria.
“Whole-Time Director (Executive Deputy Chairman)”	Whole-Time Director (Executive Deputy Chairman) of our Company, being Shekhar Ramamurthy
“Whole-Time Director (Vice Chairperson)”	Whole-Time Director (Vice Chairperson) of our Company, being Resham Chhabria Jeetendra Hemdev.

Offer Related Terms

Term	Description
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf.
“Acknowledgement Slip”	The slip or document issued by relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form.
“Allot”, “Allotment”, or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders.
“Allotment Advice”	A note or advice or intimation of Allotment, sent to each all Bidder who has Bid in the Offer after approval of the Basis of Allotment by the Designated Stock Exchange.
“Allottee”	A successful Bidder to whom the Equity Shares are Allotted.
“Anchor Investor”	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million.
“Anchor Investor Allocation Price”	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company and Selling Shareholders in consultation with the BRLMs.
“Anchor Investor Application Form”	The application form used by an Anchor Investor to Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
“Anchor Investor Bidding Date”	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investor, and allocation to the Anchor Investors shall be completed.

Term	Description
“Anchor Investor Offer Price”	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Selling Shareholders in consultation with the BRLMs.
“Anchor Investor Pay – in Date”	With respect to Anchor Investor(s), the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Offer Price a date being, not later than two Working Days after the Bid/Offer Closing Date.
“Anchor Investor Portion”	Up to 60% of the QIB Portion, which may be allocated by our Company and Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
“Applications Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such bidders using the UPI Mechanism.
“ASBA Account”	A bank account maintained with an SCSB by an ASBA Bidder as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form, which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism, to the extent of the Bid Amount of the ASBA Bidder.
“ASBA Bidder”	All Bidders except Anchor Investors.
“ASBA Form”	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
“Axis”	Axis Capital Limited.
“Banker(s) to the Offer”	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be.
“Basis of Allotment”	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 457.
“Bid”	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to, or purchase, the Equity Shares at a price within the Price Band, including all revisions and modifications thereto, as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
“Bidder”	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and, unless otherwise stated or implied, includes an Anchor Investor.
“Bid Amount”	The highest value of optional Bids indicated in the Bid cum Application Form (less employee discount as applicable) and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid. However, Eligible Employees bidding in the Employee Reservation Portion can apply at the Cut-off Price and the Bid amount shall be Cap Price (net of employee discount, if any), multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000 (net of employee discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000 (net of employee discount, if any) in value. Only in the event of an under- subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 (net of employee discount, if any), subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of employee discount, if any) in value.
“Bidding Centres”	Centres at which the Designated Intermediaries shall accept the ASBA Forms, <i>i.e.</i> , Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
“Bid cum Application Form”	Anchor Investor Application Form or the ASBA Form, as the context requires.
“Bid Lot”	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.

Term	Description
“Bid/Offer Closing Date”	<p>Except in relation to Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of the English daily national newspaper [●], all editions of the Hindi national daily newspaper [●] and Marathi daily national newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.</p> <p>In case of any revisions, the extended Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Banks.</p> <p>Our Company and Selling Shareholders in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Banks, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations.</p>
“Bid/Offer Opening Date”	<p>Except in relation to Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Offer being [●], which shall also be notified in all editions of English national daily newspaper [●], all editions of Hindi national daily newspaper [●] and Marathi national daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located) which are widely circulated English, Hindi and Marathi newspapers, respectively.</p> <p>Our Company and Selling Shareholders in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period may be one Working Day prior to the Bid/Offer Opening Date.</p>
“Bid/Offer Period”	<p>Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereto in accordance with the SEBI ICDR Regulations. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company and Selling Shareholders in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.</p> <p>The Bid/Offer Period will comprise Working Days only.</p>
“Book Building Process”	The book building process, as described in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
“Book Running Managers” or “BRLMs”	The book running lead managers to the Offer, namely ICICI Securities Limited, Axis Capital Limited, JM Financial Limited, Kotak Mahindra Capital Company Limited, and Equirus Capital Private Limited.
“Broker Centre”	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker and details of which are available on the websites of the respective Stock Exchanges. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), and updated from time to time.
“CAN” or “Confirmation of Allocation Note”	The note or advice or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date.
“Cap Price”	The higher end of the Price Band, i.e., ₹ [●] per Equity Share, subject to any revisions thereof, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price of the Price Band shall be at least one hundred and five percent of the Floor Price.
“Cash Escrow and Sponsor Bank Agreement”	Agreement to be entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Banker(s) to the Offer for governing, amongst other things, the appointment of the Sponsor Banks in accordance with the UPI Circular, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
“Circular on Streamlining of Public Issues”/ “UPI Circular”	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no.

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	(SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021./2480/1/M) dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. (SEBI/HO/CFD/DIL2/P/CIR/2021/570) dated June 2, 2021, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/75) dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
“Client ID”	Client identification number maintained with one of the Depositories in relation to the demat account.
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as per the list available on the websites of BSE and NSE, as updated from time to time.
“Cut-off Price”	The Offer Price, as finalised by our Company and Selling Shareholders in consultation with the BRLMs which shall be any price within the Price Band. Only Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
“Demographic Details”	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/ husband, investor status, occupation and bank account details and UPI ID, where applicable.
“Designated SCSB Branches”	Such branches of the SCSBs which shall collect ASBA Forms, a list of which is available on the website of the SEBI at (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
“Designated CDP Locations”	Such locations of the CDPs where Bidders can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com).
“Designated Date”	The date on which funds are transferred from the Escrow Account to the Public Offer Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Offer Account, as the case may be, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which our Board may Allot Equity Shares to successful Bidders in the Offer.
“Designated Intermediaries”	In relation to ASBA Forms submitted by UPI Bidders by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries, shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
“Designated RTA Locations”	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
“Designated Stock Exchange”	[●]
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated June 27, 2022, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Offer, including the price at which the Equity Shares will be Allotted and the size of the Offer, and includes any addenda or corrigenda thereto.
“Employee Discount”	Our Company and the Selling Shareholders, in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price (equivalent to ₹[●] per Equity Share) to Eligible Employee(s) Bidding in the Employee Reservation Portion, subject to necessary approvals, as may be required, and which shall be announced at least two Working Days prior to the Bid/Offer Opening Date.
“Eligible Employee(s)”	Permanent employees, working in India or outside India, of our Company, or any of our Promoters, or the Subsidiaries, or a Director, whether whole-time or not, , and who is eligible to Bid in the Offer under applicable law, as of the date of the filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company or the Subsidiaries, respectively, or a Director until the submission of the ASBA Form, but not including (i) the Promoters; (ii) the members of the Promoter Group; or (iii) the Directors who either themselves

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	<p>or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 (net of employee discount, if any). However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (net of employee discount, if any). Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of employee discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of employee discount, if any).</p>
“Eligible FPIs”	FPIs from such jurisdictions outside India where it is not unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
“Eligible NRIs”	NRI(s) eligible to invest under the relevant provisions of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares.
“Employee Reservation Portion”	The portion of the Offer being up to [●] Equity Shares, aggregating to ₹ [●] available for allocation to Eligible Employees, on a proportionate basis. Such portion shall not exceed 5% of the post-Offer Equity Share capital of the Company.
“Escrow Account(s)”	Accounts to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.
“Escrow Collection Bank(s)”	The banks which are clearing members and registered with SEBI as Bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●].
“Equirus”	Equirus Capital Private Limited
“First Bidder”	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
“Floor Price”	The lowest end of the Price Band, i.e., ₹ [●] subject to any revision(s) thereto, not being lower than the face value of the Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids, will be accepted.
“Fraudulent Borrowers”	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
“Fresh Issue”	<p>The fresh issue component of the Offer comprising of an issuance of up to [●] Equity Shares at ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹10,000 million by our Company.</p> <p>Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.</p>
“General Information Document” or “GID”	The General Information Document for investing in public offers, prepared and issued by SEBI, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs.
“Gross Proceeds”	The Offer Proceeds, less the amount to be raised with respect to the Offer for Sale.
“I-Sec”	ICICI Securities Limited.
“JM”	JM Financial Limited.
“Kotak”	Kotak Mahindra Capital Company Limited.
“Monitoring Agency”	[●]
“Monitoring Agency Agreement”	Agreement to be entered into between our Company and the Monitoring Agency.
“Mutual Fund”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
“Mutual Fund Portion”	Up to 5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
“Net Offer”	The Offer less the Employee Reservation Portion.

Term	Description
“Net Proceeds”	Proceeds of the Fresh Issue less our Company’s share of the Offer-related expenses. For further details about use of the Net Proceeds and the Offer related expenses, see “Objects of the Offer” on page 115.
“Net QIB Portion”	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors.
“Non-Institutional Investors” or “NII(s)” or “Non-Institutional Bidders” or “NIB(s)”	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with SEBI that are not QIBs (including Anchor Investors) or Retail Individual Bidders, or the Eligible Employees Bidding in the Employee Reservation Portion, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs).
“Non-Institutional Portion”	The portion of the Net Offer being not less than 15% of the Net Offer, consisting of [●] Equity Shares, which shall be available for allocation to Non-Institutional Bidders of which one - third shall be available for allocation to Bidders with an application size of more than ₹ 0.2 million and up to ₹ 1.0 million and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 in accordance with the SEBI ICDR Regulations, and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion, subject to valid Bids being received at or above the Offer Price.
“Non-Resident” or “NR”	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
“Offer”	<p>Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 20,000 million consisting of a Fresh Issue of [●] Equity Shares aggregating up to ₹ 10,000 million by our Company and an offer for sale of up to [●] Equity Shares aggregating up to ₹ 10,000 million, by the Selling Shareholders.</p> <p>Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.</p>
“Offer Agreement”	The agreement dated June 27, 2022 amongst our Company, the Selling Shareholders and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer.
“Offer for Sale”	The offer for sale of up to [●] Equity Shares aggregating up to ₹ 10,000 million, by the Selling Shareholders in the Offer.
“Offer Price”	<p>The final price (net of employee discount, if any, as applicable) at which the Equity Shares will be Allotted to successful Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price and employee discount, if any, will be decided by our Company and Selling Shareholders in consultation with the BRLMs, in accordance with the Book Building Process on the Pricing Date and in terms of the Red Herring Prospectus.</p> <p>A discount of up to [●]% on the Offer Price (equivalent of ₹ [●] per Equity Share) may be offered to Eligible Employees Bidding in the Employee Reservation Portion. The Employee Discount, if any, will be decided by our Company and the Selling Shareholder, in consultation with the Book Running Lead Managers.</p>
“Offer Proceeds”	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 115.
“Offered Shares”	The Equity Shares being offered by the Selling Shareholders as part of the Offer for Sale comprising of an aggregate of up to [●] Equity Shares.
“Pre-IPO Placement”	Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

Term	Description
“Price Band”	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof. The Cap Price of the Price Band shall be at least one hundred and five percent of the Floor Price. The Price Band and the minimum bid lot will be decided by our Company and Selling Shareholders in consultation with the BRLMs, and will be advertised in all editions of an English national daily newspaper [●], all editions of a Hindi national daily newspaper [●] and Marathi national daily newspaper [●] (each of which are widely circulated English, Hindi and Marathi newspapers, respectively, Marathi being the regional language of Maharashtra, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their respective websites.
“Pricing Date”	The date on which our Company and Selling Shareholders in consultation with the BRLMs, will finalise the Offer Price.
“Prospectus”	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
“Public Offer Account Bank(s)”	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Offer Account(s) will be opened, in this case being [●].
“Public Offer Account(s)”	Bank account to be opened in accordance with the provisions of the Companies Act, 2013, with the Public Offer Account Bank(s) to receive money from the Escrow Accounts and from the ASBA Accounts on the Designated Date.
“Qualified Institutional Buyers” or “QIBs”	A qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
“QIB Portion”	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer, consisting of [●] Equity Shares which shall be allocated to QIBs, including the Anchor Investors (which allocation shall be on a discretionary basis, as determined by our Company and Selling Shareholders in consultation with the BRLMs up to a limit of 60% of the QIB Portion) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors).
“Red Herring Prospectus” or “RHP”	The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
“Refund Account(s)”	The ‘no-lien’ and ‘non-interest bearing’ accounts to be opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
“Refund Bank(s)”	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●].
“Registered Broker”	Stock brokers registered under the SEBI (Stock Brokers) Regulations, 1992, as amended, with the Stock Exchanges having nationwide terminals other than the members of the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
“Registrar Agreement”	The agreement dated June 23, 2022, entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the website of BSE and NSE, and the UPI Circulars.
“Registrar” or “Registrar to the Offer”	Link Intime India Private Limited.
“Resident Indian”	A person resident in India, as defined under FEMA.
“Retail Individual Bidders” or “RIB(s)” or “Retail Individual Investors” or “RII(s)”	Individual Bidders (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs) who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the Bidding options in the Offer.
“Retail Portion”	The portion of the Net Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price.
“Revision Form”	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable.

Term	Description
	QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders bidding in the Retail Portion and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
“Self Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 , or such other website as may be prescribed by SEBI from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is provided as Annexure ‘A’ to the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The aforesaid list is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 , as updated from time to time.
“Share Escrow Agent”	Escrow agent to be appointed pursuant to the Share Escrow Agreement, namely [●].
“Share Escrow Agreement”	The agreement to be entered into amongst our Company, the Selling Shareholders, and the Share Escrow Agent in connection with the transfer of the respective portion of the Offered Shares by each of the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.
“Sponsor Bank”	The Banker to the Offer registered with SEBI which are appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the UPI Bidders into the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars, the Sponsor Banks in this case being [●].
“Specified Locations”	The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time.
“Stock Exchange(s)”	Collectively, BSE Limited and National Stock Exchange of India Limited.
“Syndicate Agreement”	Agreement to be entered into among our Company, the Selling Shareholders, the BRLMs, and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate.
“Syndicate Members”	Intermediaries (other than BRLMs) registered with SEBI, namely [●].
“Syndicate” or “members of the Syndicate”	Together, the BRLMs and the Syndicate Members.
“Systemically Important Non-Banking Financial Company” or “NBFC-SI”	Systemically important non-banking financial company as defined under the SEBI ICDR Regulations.
“Technopak”	Technopak Advisors Private Limited.
“Technopak Report” or “Industry Report”	Company commissioned Technopak Report titled “Indian Alco-Beverage Market” dated June 21, 2022.
“Underwriters”	[●]
“Underwriting Agreement”	The agreement to be entered into amongst the Underwriters, the Selling Shareholders and our Company on or after the Pricing Date, but prior to filing of the Prospectus.
“UPI”	Unified Payments Interface, which is an instant payment mechanism developed by NPCI.
“UPI ID”	ID created on UPI for single-window mobile payment system developed by the NPCI.
“UPI Bidders”	Collectively, individual investors who applied as (i) Retail Individual Bidders in the Retail Category, (ii) Eligible Employees, under the Employee Reservation Portion, and (iii) Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Category, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Collecting Registrar and Share Transfer Agents. Pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹500,000 are required to use the UPI Mechanism and are required to provide their UPI ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website

Term	Description
	of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
“UPI Mandate Request”	A request (intimating the UPI Bidders by way of a notification on the UPI application and by way of a SMS directing the UPI Bidders to such UPI application) to the UPI Bidders initiated by the Sponsor Banks to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with the SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, RIBs Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.
“UPI Mechanism”	The mechanism that may be used by UPI Bidders to make a Bid in the Offer in accordance with the UPI Circulars.
“UPI PIN”	Password to authenticate UPI transaction.
“Wilful Defaulter”	A wilful defaulter, as defined under the SEBI ICDR Regulations.
“Working Day”	All days, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, Working Day shall mean all days except Saturday, Sunday and public holidays on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circular issued by SEBI.

Technical / Industry Related Terms or Abbreviations

Term	Description
ATL	Above the Line
CIF	Cost, Insurance, and Freight
DIY	Do It Yourself
EDP	Ex-Distillery Price
ENA	Extra Neutral Alcohol
FDR	Fine Dining Restaurants
IMIL	Indian Made Indian Liquor
IMFL	Indian Made Foreign Liquor
MRP	Maximum Retail Price
Net Revenue from Operations	Our net revenue from operations (revenue from operations less excise duty)
PBCL	Pubs, Bars, Cafes and Lounges
PFCE	Private Final Consumption Expenditure
PPP	Purchasing Power Parity
Q-o-Q	Quarter-on-Quarter
WHO	World Health Organization

Conventional and General Terms or Abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees, the official currency of the Republic of India.
“Adjusted EBITDA”	EBITDA minus other income.
“AIFs”	Alternative investment funds as defined in and registered under the AIF Regulations.
“AIF Regulations”	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
“API”	Application performing interface.
“AS”	Accounting standards issued by the Institute of Chartered Accountants of India, as notified from time to time.
“BSE”	BSE Limited.
“BTI Regulations”	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
“CAGR”	Compounded Annual Growth Rate.
“Calendar Year” or “year”	Unless the context otherwise requires, shall refer to the twelve months period ending December 31.
“Category I AIF”	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations.

Term	Description
“Category II AIF”	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
“Category III AIF”	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
“Category I FPIs”	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations.
“Category II FPIs”	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations.
“CC”	Cash Credit
“CCI”	Competition Commission of India.
“CDSL”	Central Depository Services (India) Limited.
“CIN”	Corporate Identity Number.
“Companies Act”	Companies Act, 1956 and/or the Companies Act, 2013 as applicable.
“Companies Act, 1956”	<i>Erstwhile</i> Companies Act, 1956 along with the relevant rules made thereunder.
“Companies Act, 2013”	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force.
“Cr.P.C.”	Code of Criminal Procedure, 1973.
“CSR”	Corporate social responsibility.
“Depositories Act”	Depositories Act, 1996.
“Depository” or “Depositories”	NSDL and CDSL.
“DIN”	Director Identification Number.
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act.
“DP ID”	Depository Participant’s Identification Number.
“DPIIT”	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI.
“EBITDA”	Earnings before interest, tax, depreciation and amortisation.
“EPS”	Earnings per share.
“FDI”	Foreign direct investment.
“FDI Policy”	The consolidated FDI policy, effective from October 15, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (<i>earlier known as the Department of Industrial Policy and Promotion</i>).
“FEMA”	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
“FEMA Rules”	Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
“FEMA Regulations”	Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017.
“Financial Year”, “Fiscal”, “FY” or “F.Y.”	Period of twelve months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular year, unless stated otherwise.
“FIR”	First information report.
“FPI(s)”	Foreign Portfolio Investor, as defined under the FPI Regulations.
“FPI Regulations”	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
“FIPB”	The erstwhile Foreign Investment Promotion Board.
“FVCI”	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations.
“Fugitive Economic Offender”	A fugitive economic offender as defined under the Fugitive Economic Offenders Act, 2018.
“FVCI Regulations”	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
“GDP”	Gross domestic product.
“GIR Number”	General index registration number.
“GoI” or “Government” or “Central Government”	Government of India.
“GST”	Goods and services tax.
“HUF”	Hindu undivided family.
“IAS Rules”	Companies (Indian Accounting Standards) Rules, 2015, as amended.
“ICAI”	The Institute of Chartered Accountants of India.
“ICSI”	The Institute of Company Secretaries of India.
“IFRS”	International Financial Reporting Standards of the International Accounting Standards Board.
“India”	Republic of India.
“Ind AS” or “Indian Accounting Standards”	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with IAS Rules.
“Ind AS 24”	Indian Accounting Standard 24, “Related Party Disclosures”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules.

Term	Description
“Ind AS 37”	Indian Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with IAS Rules.
“IGAAP” or “Indian GAAP”	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended.
“Insider Trading Regulations”	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
“IPC”	The Indian Penal Code, 1860.
“IPR”	Intellectual property rights.
“IRDAI Investment Regulations”	Insurance Regulatory and Development Authority (Investment) Regulations, 2016.
“IST”	Indian standard time.
“IT Act”	The Income Tax Act, 1961.
“IT”	Information technology.
“Listing Agreement”	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges.
“Listing Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
“MCA”	Ministry of Corporate Affairs, Government of India.
“Mn” or “mn”	Million.
“N.A.”	Not applicable.
“NACH”	National Automated Clearing House.
“NAV”	Net asset value.
“NBFC”	Non-Banking Financial Company.
“NECS”	National electronic clearing service.
“NEFT”	National electronic fund transfer.
“NPCI”	National Payments Corporation of India.
“NRE”	Non-resident external.
“NRE Account”	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
“NRI” or “Non-Resident Indian”	Non-Resident Indian as defined under the FEMA Regulations.
“NRO”	Non-resident ordinary.
“NRO Account”	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016.
“NSDL”	National Securities Depository Limited.
“NSE”	National Stock Exchange of India Limited.
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Offer.
“ODI”	Offshore derivative instruments.
“P/E Ratio”	Price/earnings ratio.
“PAN”	Permanent account number allotted under the Income Tax Act, 1961.
“RBI”	Reserve Bank of India.
“Regulation S”	Regulation S under the U.S. Securities Act
“RoCE”	Return on Capital employed
“RoE”	Return on Equity
“RONW”	Return on Net Worth.
“Rs.” Or “Rupees” or “₹” or “INR”	Indian Rupees.
“RTGS”	Real time gross settlement.
“Rule 144A”	Rule 144 A under the U.S. Securities Act
“SCRA”	Securities Contracts (Regulation) Act, 1956.
“SCRR”	Securities Contracts (Regulation) Rules, 1957.
“SEBI”	Securities and Exchange Board of India constituted under the SEBI Act.
“SEBI Act”	Securities and Exchange Board of India Act, 1992.
“SEBI ICDR Regulations”	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
“SEBI Merchant Bankers Regulations”	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.

Term	Description
“SEBI SBEB Regulations”	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
“SICA”	<i>Erstwhile Sick Industrial Companies (Special Provisions) Act, 1985.</i>
“STT”	Securities Transaction Tax.
“State Government”	Government of a State of India.
“Takeover Regulations”	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
“U.S.A”/ “United States”	“U.S.”/ The United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia.
“USD” or “US\$”	United States Dollars.
“U.S. GAAP”	Generally Accepted Accounting Principles in the United States of America.
“U.S. QIB”	“Qualified institutional buyer”, as defined in Rule 144A of the U.S. Securities Act.
“U.S. Securities Act”	United States Securities Act of 1933, as amended.
“VAT”	Value added tax.
“VCFs”	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be.
“WACA”	Weighted Average Cost of Acquisition
“WCDL”	Working Capital Demand Loan

OFFER DOCUMENT SUMMARY

This section is a general summary of the terms of the Offer, certain disclosures included in this Draft Red Herring Prospectus and are neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Financial Information”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Offer Procedure”, “Description of Equity Shares and Terms of Articles of Association” and “Offer Structure”, on pages 34, 76, 95, 115, 137, 178, 257, 272, 362, 410, 457, 479 and 450, respectively.

Primary business of our Company

We are the largest Indian-owned Indian-made foreign liquor (“IMFL”) company and the third largest IMFL company in India, in terms of annual sales volumes between Fiscal 2014 and Fiscal 2021. (Source: Technopak Report) We have over the years established market leadership in the alcoholic beverages market in India with a market share of 8.2% in IMFL market by sales volumes in Fiscal 2021 (Source: Technopak Report), with sales across 30 States and Union Territories, as of December 31, 2021. As of December 31, 2021, our products were retailed across over 64,000 outlets in India.

Summary of the Industry in which our Company operates

India is primarily a distilled alcohol market with more than 90% of recorded pure alcohol consumption in form of distilled spirits. This is very unlike the developed countries where contribution of undistilled alco-beverages including beer and wine together is higher than distilled spirits. The Indian alco-beverage market crossed more than a billion cases per annum in Financial Year 2020. A volume-based analysis shows that alcohol beverage market in India is almost equally divided between country liquor, Indian made foreign liquor and beer with a small contribution from wines and imported spirits. (Source: Technopak Report).

Names of the Promoters

Our Promoters are Kishore Rajaram Chhabria, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited, and Officer’s Choice Spirits Private Limited. For further details, see “Our Promoters and Promoter Group” on page 257.

Offer Size

Offer of Equity Shares⁽¹⁾⁽²⁾	Up to [●] Equity Shares, aggregating up to ₹20,000 million
of which	
Fresh Issue⁽¹⁾	Up to [●] Equity Shares, aggregating up to ₹10,000 million
Offer for Sale⁽²⁾	Up to [●] Equity Shares, aggregating up to ₹10,000 million by the Selling Shareholders
The Offer Comprises:	
Employee Reservation Portion⁽³⁾	Up to [●] Equity Shares, aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares aggregating to ₹ [●] million

(1) The Offer has been authorized by our Board pursuant to a resolution passed on March 31, 2022, and the Fresh Issue has been authorized by our Shareholders pursuant to a special resolution passed on April 1, 2022.

(2) The Offered Shares being offered by the Selling Shareholders in the Offer for Sale are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. For further details of authorizations pertaining to the Offer for Sale, see “Other Regulatory and Statutory Disclosures” on page 422.

(3) In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000 (net of employee discount, if any), subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000 (net of employee discount, if any). The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹ [●]), shall be added to the Net Offer. Our Company and Selling Shareholder, in consultation with the Book Running Lead Managers, may offer a discount of up to [●]% to the Offer Price (equivalent of ₹ [●] per Equity Share) to Eligible Employees, which shall be announced at least two Working Days prior to the Bid / Offer Opening Date. For further details, see “Offer Structure” beginning on page 450.

(4) Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO

Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

The above table summarises the details of the Offer. For further details of the offer, see “The Offer” and “Offer Structure” on pages 76 and 450, respectively.

The name of the Selling Shareholders and their proportion in the Offer for Sale is as follows:

S. No.	Name of the Selling Shareholder	Number of Offered Shares	Type	Proportion in OFS size (%)
1.	Bina Kishore Chhabria	Up to [●] Equity Shares aggregating up to ₹5,000 million	Promoter	Up to 50%
2.	Resham Chhabria Jeetendra Hemdev	Up to [●] Equity Shares aggregating up to ₹2,500 million	Promoter	Up to 25%
3.	Neesha Kishore Chhabria	Up to [●] Equity Shares aggregating up to ₹2,500 million	Promoter Group	Up to 25%

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Particulars	Amount to be funded from Net Proceeds [^]
Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	7,089.84
General corporate purposes*	[●]
Total*	[●]

(in ₹ million)
^{*}To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

[^]Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares or any other securities issued pursuant to the Pre-IPO Placement, our Company may utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer.

For further details, see “Objects of the Offer” on page 115.

Aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders

The aggregate pre-Offer shareholding of our Promoters, members of our Promoter Group and Selling Shareholders as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

a) Promoters, members of our Promoter Group and Selling Shareholders

S No.	Name of Shareholder	Pre-Offer	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital
Promoters			
1.	Kishore Rajaram Chhabria	Nil	-
2.	Bina Kishore Chhabria	127,428,650	52.20
3.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05
4.	Bina Chhabria Enterprises Private Limited	141,094	0.06
5.	BKC Enterprises Private Limited	1	Negligible
6.	Oriental Radios Private Limited	9,113,665	3.73
7.	Officer's Choice Spirits Private Limited	1,615	Negligible
Total		195,399,345	80.04
Promoter Group			
1.	Neesha Kishore Chhabria	48,714,320	19.96
Selling Shareholders			
1.	Bina Kishore Chhabria	127,428,650	52.20

S No.	Name of Shareholder	Pre-Offer	
		Number of Equity Shares	Percentage of total pre-Offer paid up Equity Share capital
2.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05
3.	Neesha Kishore Chhabria	48,714,320	19.96
Total		234,857,290	96.21

Summary of Selected Financial Information

The following details of our equity share capital, Net Worth, Net Asset Value per Equity Share and Borrowings as at December 31, 2021 and for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019 and total revenue from operations, profit after tax and earnings per Equity Share (basic and diluted) for the nine month period ended December 31, 2021 and for the Fiscals 2021, 2020 and 2019 are derived from the Restated Consolidated Financial Information:

(In ₹ million, except per share data)

Particulars	As at and for the nine month period ended December 31, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Equity share capital	471.13	471.13	471.13	471.13
Net Worth	4,061.00	3,817.82	3,796.19	2,918.17
Total Income	54,525.73	63,978.12	81,356.12	89,468.57
Profit for the period/year	33.02	25.08	127.93	152.01
Profit for the period/year attributable to equity shareholders	33.02	25.08	127.93	152.01
Earnings per share of face value of ₹ 2/- each attributable to equity holders				
- Basic, computed on the basis of profit attributable to equity holders (₹)	0.14*	0.11	0.54	0.65
- Diluted, computed on the basis of profit attributable to equity holders (₹)	0.14*	0.10	0.53	0.65
Net asset value per equity share (₹)**	16.64	15.75	15.66	12.39
Borrowings (Non-Current and Current) (as per balance sheet)	9268.90	9,547.39	10,322.31	13,351.57

*Not annualised

**Net Asset value per equity share has been computed after considering the impact of convertible securities

Qualifications of the Auditors which have not been given effect to in the Restated Consolidated Financial Information

There were no auditor qualifications in the Restated Consolidated Financial Information, which require adjustment in the Restated Consolidated Financial Information. For further details, see “Restated Consolidated Financial Information - Notes to the Restated Consolidated Financial Information – 63 on page 352.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Promoters, Directors, Subsidiaries and Group Companies as on the date of this Draft Red Herring Prospectus, as disclosed in the section titled “Outstanding Litigation and Material Developments” in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million)
Company						
By the Company	43	Nil	Nil	NA	7	463.02

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million)
Against the Company	1	26	3		Nil	1,114.67
Directors						
By our Directors	Nil	Nil	Nil	NA	Nil	-
Against the Directors	Nil	Nil	2		Nil	0.8
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	-
Against Promoters	Nil	Nil	1		Nil	0.8
Subsidiaries						
By Subsidiaries	3	Nil	Nil	NA	1	48.05
Against Subsidiaries	Nil	1	Nil		Nil	0.28
Group Companies						
Litigations having a material adverse impact on the Company	Nil	Nil	Nil	NA	Nil	-

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” on page 410.

Risk Factors

Specific attention of the investors is invited to “*Risk Factors*” on page 34.

Summary of Contingent Liabilities of our Company

Details of the contingent liabilities (as per Ind AS 37) of our Company as on December 31, 2021 derived from the Restated Consolidated Financial Information are set forth below:

Particulars	(₹ in million)
	As at December 31, 2021
Transport Pass Fees claimed by excise authorities	87.31
Water Charges claim by MIDC, Aurangabad	17.40
Additional license fees on account of restructuring of the company, levied by, the Maharashtra State Excise Department, Aurangabad	3.28
Differential Octroi Duty on Extra Neutral Alcohol / Rectified Spirit by Aurangabad Municipal Corporation	15.80
Demand notice from the Commissioner of Central Excise, Customs and Service Tax, Aurangabad, towards service tax on reverse charge basis on expenditure incurred in foreign currency on sales promotion, travelling and other expenditure	53.81
VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties.	324.89
Income tax matters	33.31
VAT Liability on captive consumption of ENA	10.76
Excise demand relating to excess transit wastages for ENA supplied by Contract Bottling unit	28.60
Show cause notice from Canteen Stores Department (CSD) on account of differential trade rate relating to the period from October 2014 to December 2020	85.77
The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2015-2016. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties	60.27
The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2016-2017. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties	58.26
Rajasthan VAT department has demanded sales Tax along with interest and penalty from a contract bottling unit on ENA produced by them to be used as intermediary product for the manufacturer of IMFL	10.75
Demand notice by the Government of Andhra Pradesh	272.5
VAT / GST on ENA procured by the company in Uttar Pradesh	14.29

(₹ in million)

Particulars	As at December 31, 2021
A contract bottling unit had been issued notice of demand under the Assam Entry Tax Act by the Government of Assam	13.12
The Company was receiving taxable invoices from its CBU's at the rate of 18% on the bottling charges on manufacturing of IMFL for the Company (brand owner). However, based on the notification dated 13 October 2017, No .31/2017 - Central Tax (rate), the Company has asked its bottlers to charge GST on bottling charge at 5%	19.47
Rectification order under MVAT	22.11
Group has received summon notice dated 11 August 2020 from the Director General of GST Intelligence, Hyderabad on applicability of GST on Distillery Wet Grain Soluble (DWGS) and Distillery Dry Grain Soluble (DDGS).	Not ascertainable
Income Tax matter	1.73
Provident Fund matter	Not ascertainable
Interest liability on Micro, Small and Medium enterprise overdue	Not ascertainable

For further details of the contingent liabilities (as per Ind AS 37) of our Company as at December 31, 2021, see "Restated Consolidated Financial Information – Note 49 – Contingent liabilities and commitments" on page 335.

Summary of Related Party Transactions

Summary of the related party transactions as per Ind AS 24-Related Party Disclosures, read with the SEBI ICDR Regulations, derived from Restated Consolidated Financial Information, is as follows

(₹ in million)

Particulars	Joint venture / associate	Enterprises where key management personnel have significant influence				Key management personnel			
		31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020
Royalty income									
Surji Agro Foods Private Limited	0.25	-	0.00	0.09	-	-	-	-	-
Interest income									
Kishore Chhabria	-	-	-	-	-	1.00	1.33	-	6.98
Utpal Kumar Ganguli	-	-	-	-	-	2.22	2.07	2.13	0.13
Sub-total	-	-	-	-	-	3.22	3.40	2.13	7.11
Promotional material and services									
Surji Agro Foods Private Limited	1.20	-	-	0.08	-	-	-	-	-
Sale of Asset									
Power Brand Enterprises India Private Limited	-	-	-	0.01	-	-	-	-	-
Interest on unsecured loan									

(₹ in million)

Particulars	Joint venture / associate	Enterprises where key management personnel have significant influence				Key management personnel			
		31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020
Oriental Radios Private Limited	-	18.22	0.42	0.75	0.75	-	-	-	-
Tracstar Investments Private Limited	-	-	10.48	18.80	17.98	-	-	-	-
Starvoice Properties Private Limited	-	-	-	17.12	-	-	-	-	-
Sub-total	-	18.22	10.90	36.67	18.73	-	-	-	-
Rent Expenses									
Oriental Radios Private Limited	-		1.50	1.77	1.77	-	-	-	-
Starvoice Properties Private Limited	-	0.45	0.60	0.71	0.71	-	-	-	-
Rayanyarn Import Company Private Limited	-		0.12	0.14	0.14	-	-	-	-
Pitambari Properties Private Limited	-	0.54	0.72	0.85	0.85	-	-	-	-
Lalita Properties Private Limited	-	0.68	0.90	1.06	1.06	-	-	-	-
Woodpecker Investments Private Limited	-	0.09	0.12	-	-	-	-	-	-
Bhuneshwari Properties Private Limited	-	0.68	0.90	1.06	1.06	-	-	-	-
Sub-total	-	2.44	4.86	5.59	5.59	-	-	-	-
Unsecured loan / advances granted									
Rayanyarn Import Company Private Limited	-	-	-	0.22	0.31	-	-	-	-
Starvoice Properties Private Limited		2.00	-	-	-	-	-	-	-
Kishore Chhabria	-	-	-	-	-	-	83.40	3.70	193.90
Utpal Kumar Ganguli	-	-	-	-	-	20.00	-	2.50	25.00
Sub-total	-	2.00	-	0.22	0.31	20.00	83.40	6.20	218.90
Reversal of Rent Expenses									
Oriental Radios Private Limited		1.50							
Rayanyarn Import Company Private Limited		0.12							
Sub-total	-	1.62	-	-	-	-	-	-	-

(₹ in million)

Particulars	Joint venture / associate	Enterprises where key management personnel have significant influence				Key management personnel				
		31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Unsecured loan written off										
Allied Blenders and Distillers International General Trading LLC	132.96	-	-	-	-	-	-	-	-	-
Investment in compulsorily convertible debentures (CCD)										
Madanlal Estates Private Limited	-	210.00	13.00	-	-	-	-	-	-	-
ABD Dwellings Private Limited	-	31.01	208.04	-	-	-	-	-	-	-
Sub-total	-	241.01	221.04	-	-	-	-	-	-	-
Advance given for purchase of land										
Power Brand Enterprises India Private Limited	-	-	-	360.00	-	-	-	-	-	-
Ashoka Liquors Private Limited	-	-	-	-	1,110.00	-	-	-	-	-
Commission										
Power Brand Enterprises India Private Limited	-	-	-	-	18.11	-	-	-	-	-
Purchase of fixed assets and stock (IMFL/PM/Blend)										
Power Brand Enterprises India Private Limited	-	-	-	-	2.41	-	-	-	-	-
Refund of Advance given for purchase of land										
Ashoka Liquors Private Limited	-	750.00	-	360.00	-	-	-	-	-	-
Redemption of Preference shares										
Ashoka Liquors Private Limited	-	750.00	-	-	-	-	-	-	-	-

(₹ in million)

Particulars	Joint venture / associate	Enterprises where key management personnel have significant influence				Key management personnel			
		31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020
Working capital advances given									
Power Brand Enterprises India Private Limited	-	-	17.31	430.08	504.20	-	-	-	-
Refund of customer advance									
Power Brand Enterprises India Private Limited	-	-	2.28	-	-	-	-	-	-
Sale of investment									
Spiritus Private Limited	-	-	-	-	35.00	-	-	-	-
Marketing Incorporated Private Limited	-	-	-	-	20.00	-	-	-	-
Bina Chhabria Enterprises Private Limited	-	-	-	-	1.10	-	-	-	-
Sub-total	-	-	-	-	56.10	-	-	-	-
Receipt of Money against Receivables									
Spiritus Private Limited	-	-	34.00	-	-	-	-	-	-
Marketing Incorporated Private Limited	-	-	19.00	-	-	-	-	-	-
Sub-total	-	-	53.00	-	-	-	-	-	-
Business advance received back									
Power Brand Enterprises India Private Limited	-	-	173.08	613.25	-	-	-	-	-
Repayment of Unsecured loan / advances granted									
Kishore Chhabria	-	-	-	-	-	56.33	29.00	3.70	193.90
Utpal Kumar Ganguli	-	-	-	-	-	14.14	2.70	-	-
Sub-total	-	-	-	-	-	70.47	31.70	3.70	193.90
Liability component of compound financial instrument									

(₹ in million)

Particulars	Joint venture / associate	Enterprises where key management personnel have significant influence				Key management personnel			
		31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020
Oriental Radios Private Limited	-	72.77	-	-	-	-	-	-	-
Repayment of liability component of compound financial instrument									
Oriental Radios Private Limited	-	36.80	-	-	-	-	-	-	-
Equity component of compound financial instrument									
Oriental Radios Private Limited	-	952.82	-	-	-	-	-	-	-
Consultancy fee									
NBB Consultants	-	-	-	34.84	-	-	-	-	-
Allied Blenders and Distillers International General Trading LLC	0.26	-	-	-	-	-	-	-	-
Unsecured borrowing availed									
Bina K Chhabria	-	-	-	-	-	0.58	10.00	250.00	226.20
Kishore Chhabria	-	-	-	-	-	5.00	-	-	-
Oriental Radios Private Limited	-	300.00	-	-	-	-	-	-	-
Tracstar Investments Private Limited	-	-	-	0.82	31.97	-	-	-	-
Starvoice Properties Private Limited	-	-	70.00	3.77	370.00	-	-	-	-
Sub-total	-	300.00	70.00	4.59	401.97	5.58	10.00	250.00	226.20
Repayment of unsecured borrowing									
Bina K Chhabria	-	-	-	-	-	-	130.00	260.00	96.20
Tracstar Investments Private Limited	-	1.20	125.00	-	12.00	-	-	-	-
Oriental Radios Private Limited	-	224.24	5.00	-	-	-	-	-	-
Starvoice Properties Private Limited	-	-	132.94	115.83	195.00	-	-	-	-
Sub-total	-	225.44	262.94	115.83	207.00	-	130.00	260.00	96.20

(₹ in million)

Particulars	Joint venture / associate	Enterprises where key management personnel have significant influence				Key management personnel			
		31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020
Legal and professional fees									
Surji Consultant India Private Limited.	-	-	10.00	-	-	-	-	-	-
Sale of by-product									
Power Brand Enterprises India Private Limited	-	-	-	513.57	-	-	-	-	-
Others									
Henkell & Company India Private Limited	1.18	-	-	-	-	-	-	-	-
Managerial remuneration/Short term employee benefits *									
Kishore Chhabria	-	-	-	-	-	320.16	447.33	408.52	407.80
Shekhar Ramamurthy	-	-	-	-	-	50.00	-	-	-
Chirag Pittie	-	-	-	-	-	24.60	-	-	-
Nicholas Blazquez	-	-	-	-	-	26.94	74.49	-	-
Deepak Roy	-	-	-	-	-	56.85	4.52	55.26	65.57
Utpal Kumar Ganguli	-	-	-	-	-	22.11	25.49	52.88	64.04
Ramakrishnan Ramaswamy	-	-	-	-	-	16.97	22.64	25.63	26.89
Resham Chhabria Hemdev	-	-	-	-	-	27.72	37.43	35.00	35.04
Neesha Chhabria	-	-	-	-	-	4.30	5.27	5.14	5.16
Paramjit Singh Gill	-	-	-	-	-	-	-	70.98	68.76
Sub-total	-	-	-	-	-	549.65	617.17	653.41	673.26

* Excludes compensated absences and gratuity benefits provided on the basis of actuarial valuation on an overall Group basis.

Financing Arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors, Directors of our Corporate Promoters, and their relatives have financed the purchase of any securities of our Company, by any other person during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Weighted average price at which the specified securities were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

The weighted average price at which the Equity Shares have been acquired by our Promoters and the Selling Shareholders, in the one year preceding the date of this Draft Red Herring Prospectus is provided below.

S. No.	Name of the Shareholder	Number of Equity Shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share acquired in the one year preceding the date of this Draft Red Herring Prospectus (in ₹)*
Promoters			
1.	Kishore Rajaram Chhabria	Nil	Nil
2.	Bina Kishore Chhabria	10,000,000	Nil [#]
3.	Resham Chhabria Jeetendra Hemdev	Nil	Nil
4.	Bina Chhabria Enterprises Private Limited	Nil	Nil
5.	BKC Enterprises Private Limited	1	750
6.	Oriental Radios Private Limited	8,547,000	117 [^]
7.	Officer's Choice Spirits Private Limited	Nil	Nil
Selling Shareholders			
1.	Bina Kishore Chhabria	10,000,000	Nil [#]
2.	Resham Chhabria Jeetendra Hemdev	Nil	Nil
3.	Neesha Kishore Chhabria	Nil	Nil

* As certified by S D T & Co, Chartered Accountants, by way of their certificate dated June 27, 2022.

[#] Bina Kishore Chhabria has acquired the Equity Shares pursuant to a gift from Neesha Kishore Chhabria on June 13, 2022, and no consideration has been paid.

[^] Oriental Radios Private Limited has been allotted the Equity Shares pursuant to the conversion of 8,547,000 CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share on June 20, 2022. Since, it is a conversion into Equity Shares, no consideration has been actually paid.

Details of pre-Offer Placement

Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

Average cost of acquisition for our Promoters and Selling Shareholders

S. No	Name of the Promoter(s)	Number of Equity Shares Held	Average cost of acquisition per Equity Share (in ₹)*
1.	Kishore Rajaram Chhabria	Nil	Nil
2.	Bina Kishore Chhabria	127,428,650	0.04
3.	Resham Chhabria Jeetendra Hemdev	58,714,320	0.05
4.	Bina Chhabria Enterprises Private Limited	141,094	2.02
5.	BKC Enterprises Private Limited	1	750.00
6.	Oriental Radios Private Limited	9,113,665	109.74
7.	Officer's Choice Spirits Private Limited	1,615	2.00

* As certified by S D T & Co, Chartered Accountants, by way of their certificate dated June 27, 2022.

S. No.	Name of the Selling Shareholders	Number of Equity Shares Held	Average cost of acquisition per share (in ₹)*
1.	Bina Kishore Chhabria	127,428,650	0.04
2.	Resham Chhabria Jeetendra Hemdev	58,714,320	0.05
3.	Neesha Kishore Chhabria	48,714,320	0.03

* As certified by S D T & Co, Chartered Accountants, by way of their certificate dated June 27, 2022.

Issue of Equity Shares for consideration other than cash in the last one year

Except as disclosed in the section, “*Capital Structure*” on page 95, our Company has not issued any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus, for consideration other than cash.

Split / Consolidation of Equity Shares in the last one year

There has been no split or consolidation of the Equity Shares of our Company in the last one year.

Exemption from complying with any provisions of securities laws granted by SEBI

Our Company has not made any application for, and has not received any exemption from complying with any provisions of securities laws, from SEBI.

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION AND MARKET DATA

Certain Conventions

All references to “India” in this Draft Red Herring Prospectus are to the Republic of India and its territories and possession and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references to the “U.S.”, “USA” or “United States” are to the United States of America and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Financial Data

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Red Herring Prospectus have been derived from the Restated Consolidated Financial Information.

The restated consolidated summary statements of our Company, as at December 31, 2021 and March 31, 2021, March 31, 2020 and March 31, 2019, comprise the restated consolidated balance sheet as at and for nine month period ended December 31, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and the restated statement of cash flows for the nine month period ended December 31, 2021 and the years ended March 31, 2021, March 31, 2020 and March 31, 2019 of our Company, and the statement of significant accounting policies, and other explanatory information thereon, has been derived from audited interim consolidated financial statements as at and for the nine month period ended December 31, 2021 and audited consolidated financial statements as at and for the years ended March 31, 2021, 2020 and 2019 together with the annexures and notes thereto prepared in accordance with Ind AS, and together with the annexures and notes thereto, and restated in accordance with requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI, as approved by our Board of our Company at their meeting held on June 13, 2022 for the purpose of inclusion in this Draft Red Herring Prospectus.

The audited interim consolidated financial statements as at and for nine month period ended December 31, 2021 and audited consolidated financial statements as at and for the years ended March 31, 2021, and March 31, 2020 were audited by Walker Chandiook & Co LLP, Chartered Accountants. Ford Rhodes Parks & Co LLP and Walker Chandiook & Co LLP, Chartered Accountants were joint auditors of our Company for year ended March 31, 2019.

For further information on our Company’s financial information, see “*Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 272 and 362.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, see “*Risk Factors – External Risk Factors – 84. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.*” on page 73.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless the context otherwise requires or indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 34, 178 and 362, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of figures derived from the Restated Consolidated Financial Information.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures derived from our Restated Consolidated Financial Information in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places.

Non-GAAP Measures

Certain non-GAAP financial measures relating to our financial performance such as EBITDA, Adjusted EBITDA, Net Worth, Return on Net Worth, Net asset value, Net asset value per equity share, Return on Equity, Return on Capital Employed, Net Tangible assets, Operating profit, Monetary assets and Monetary assets as a percentage of the Net tangible assets have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. See “*Risk Factors – Internal Risk Factors – 70. We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian alcohol and spirits industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*” on page 67.

Currency and Units of Presentation

All references to:

1. “Rupees” or “INR” or “Rs.” or “₹” are to the Indian Rupee, the official currency of Republic of India;
2. “USD” or “US\$” or “\$” or “U.S. Dollar” are to the United States Dollar, the official currency of the United States of America; and

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in “lakh”, “million”, “crore” “billion” and “trillion” units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed

as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

(in ₹)				
Currency	As of December 31, 2021	As on March 31, 2021	As on March 31, 2020	As on March 31, 2019 ⁽¹⁾
1 USD	74.30	73.50	75.39	69.17

(Source: www.fbil.org.in)

(1) Exchange rate as on March 29, 2019 has been disclosed as reference rate is not available for March 30, 2019 being Saturday and March 31, 2019 being a Sunday.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus, including in “*Industry Overview*” and “*Our Business*” on pages 137 and 178, respectively, has been obtained or derived from the report titled “*Indian Alco-Beverage Market*” dated June 21, 2022 prepared by Technopak (“**Technopak Report**”) and publicly available information as well as other industry publications and sources. The Technopak Report has been commissioned and paid for by our Company. For further details in relation to risks involving in this regard, see “*Risk Factors – Internal Risk Factors – 62. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Technopak Advisors Private Limited exclusively commissioned and paid for by us for such purpose.*” on page 65.

Disclaimer by Technopak

- *Only leading players are profiled and benchmarked for the purpose of the report and does not necessarily cover all types of players.*
- *The information contained herein is of a general nature and is not intended to address the facts and figures of any particular individual or entity. The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions. No one should act upon such information without taking appropriate additional professional advice and/or thorough examination of the particular situation. Technopak and its directors, employees, agents and consultants shall have no liability (including liability to any person by reason of negligence or negligent misstatement) for any statements, opinions, information or matters (expressed or implied) arising out of, contained in or derived from, or of any omissions from the information package and any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this information package and/or further communication in relation to this information package.*

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be U.S. QIBs in transactions exempt from the registration requirements of the U.S. Securities Act and (b) outside the United States in “offshore transactions” (as defined under Regulation S) in compliance with Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity Shares in Member States of the European Economic Area (“**EEA**”) (each a “**Member State**”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129 of the European Parliament and Council EC (and amendments thereto). Accordingly, any person making or intending to make an offer within the EEA of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for the Company or any of the Book Running Lead Managers to produce a prospectus for such offer. None of the Company or the Book Running Lead Managers have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the Book Running Lead Managers which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

Information To Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”) and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Equity Shares, the subject of the Offer, have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

In the United Kingdom, this document is being distributed only to, and is directed only at, persons: (A) (i) who have professional experience in matters relating to investments and who are investment professionals falling within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the “**FSMA Order**”), (ii) falling within Article 49(2)(a) to (d) of the FSMA Order, and (iii) to whom it may otherwise lawfully be communicated; and (B) who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) as it forms part of retained EU law as defined in the European Union (Withdrawal) Act 2018 (all such persons together being referred to as “**relevant persons**”). This document must not be acted on or relied on in the United Kingdom, by persons who are not relevant persons. Any investment or investment activity to which the document relates is available only to, in the United Kingdom, relevant persons. The communication of this Draft Red Herring Prospectus to any person who is not a relevant person is unauthorized and may contravene the Financial Services and Markets Act 2000, as amended.

Information to Distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK Product Governance Requirements**”) and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Requirements and/or any equivalent requirements elsewhere to the extent determined to be applicable) may otherwise have with respect thereto, the Equity Shares the subject of the Offer have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in chapter 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the “**UK Target Market Assessment**”). Notwithstanding the UK Target Market Assessment, “distributors” (for the purposes of the UK Product Governance Requirements) should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The UK Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical facts and may be described as “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “shall”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “project”, “propose”, “seek to”, “will”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities, investments, or the industry in which we operate, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations, taxes, changes in competition in the industry in which we operate and incidents of any natural calamities and/or acts of violence. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- We depend on the sales of our whisky products, and any reduction in sales of these products could have a material adverse effect on our business, financial condition, results of operations and prospects.
- The reputation and consumer goodwill associated with our brands are critical for the success of our business. An inability to maintain or enhance the popularity of our brands may adversely impact our business prospects and financial performance.
- We depend on sales of our products in a few key states, and any reduction in sales of our products in the key states could have a material adverse effect on our business, financial condition, results of operations and prospects.
- We may be unable to increase the selling price of our products in many of the states in which we operate which could adversely affect our business, financial condition, results of operations and prospects.
- Our business is dependent on the sale of our products to our key customers and the loss of one or more such customers or a reduction for our products could adversely affect our business, result of operations, financial condition and cash flows.
- Our operations are subject to extensive Central and State regulations. Changes in the regulatory environment may cause us to incur additional costs or limit our business activities

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 34, 178 and 362, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of our future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information.

Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Directors, our Promoters, the BRLMs, the Selling Shareholders, the Syndicate Members nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with the SEBI requirements, each of the Selling Shareholders, severally and not jointly, shall ensure (through our Company) that the investors are informed of material developments in relation to statements and undertakings specifically confirmed or undertaken by the respective Selling Shareholders in relation to it and its respective portion of the Offered Shares from the date of this the Draft Red Herring Prospectus, until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, or the industry in which we operate. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. To the extent the novel coronavirus (“COVID-19”) pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Industry Overview”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and on pages 137, 178, 272 and 362, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see “Forward Looking Statements” on page 32. Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Information” on page 272. Unless otherwise indicated or the context otherwise requires, in this section, references to “the Company” or “our Company” are to Allied Blenders and Distillers Limited on a standalone basis, and references to “the Group”, “we”, “us”, “our”, are to Allied Blenders and Distillers Limited on a consolidated basis.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Industry Report on Indian Alco-Beverage Market” dated June 21, 2022 (the “Technopak Report”) prepared and issued by Technopak Advisors Private Limited appointed on March 23, 2022, and exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the Technopak Report available on the website of the Company at <https://www.abdindia.com/investor-relations/investor-information/reports/> and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. The relevant industry sources are indicated at all relevant places within this section. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. Also see, “Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data” on page 29.

Internal Risks

- We depend on the sales of our whisky products, and any reduction in sales of these products could have a material adverse effect on our business, financial condition, results of operations and prospects.*

Our revenue and profitability remain substantially dependent on the sales of our whisky products. As of March 31, 2022, our product portfolio comprised 10 brands of Indian-made foreign liquor (“IMFL”) across whisky, brandy, rum and vodka. The table below provides details of the sale of our whisky and other products in the periods indicated therein:

Category	Fiscal									Nine months ended December 31, 2021		
	2019			2020			2021			No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)
	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)			
Whisky	35.60	86,415.27	96.72%	31.85	78,389.20	96.55%	24.60	62,245.79	97.58%	20.04	52,851.39	97.06%
Brandy	1.29	1,253.99	1.40%	1.02	968.72	1.19%	0.67	413.67	0.65%	0.39	302.74	0.56%
Rum	0.29	463.95	0.52%	0.27	438.61	0.54%	0.20	223.89	0.35%	0.20	182.17	0.34%
Vodka	0.14	230.19	0.26%	0.09	140.98	0.18%	0.05	65.56	0.10%	0.03	35.34	0.06%
Others ⁽¹⁾	-	982.57	1.10%	-	1,253.14	1.54%	-	838.85	1.32%	-	1,078.20	1.98%
Total	37.32	89,345.97	100.00%	33.23	81,190.65	100.00%	25.52	63,787.76	100.00%	20.66	54,449.84	100.00%

⁽¹⁾ Others primarily include extra neutral alcohol (“ENA”) and by-products.

Our ability to further grow our business will depend on various factors, many of which are beyond our control. These factors include, but are not limited to: customer loyalty to our existing and future whisky products; evolving consumer preferences and our ability to adapt our business and operations; recruiting and training qualified personnel; further strengthening our brands in new markets; competition in our markets; availability of financing at suitable terms and conditions; and sourcing and managing the cost of our expansion and identifying suitable supply and delivery resources. Our new whisky or other products may not meet the desired success, and there can be no assurance that these products will gain market acceptance or meet the particular tastes or requirements of consumers.

Accordingly, any factor adversely affecting the sale of our whisky or other products, individually or collectively, would have a material adverse effect on our business, financial condition, results of operations and prospects. For example, as a result of COVID-19, we have experienced a decline in sales volumes and revenue of our IMFL products, which adversely affected revenue from operations during Fiscal 2021.

In addition, production and sales of our whisky products could be rendered uneconomical by regulatory or competitive changes and may also be adversely affected by other factors, including increases in excise and others taxes, inability to procure raw material supply, interruptions in production or distribution, marketing or pricing strategies of one or more of our Company’s competitors, changes in consumer preferences or other factors.

- An inability to maintain or enhance the popularity of our brands in particular our Officer’s Choice brand may adversely impact our business prospects and financial performance.*

The reputation and consumer goodwill associated with our brands and in particular our Officer’s Choice brand is critical to the success of our operations. Officer’s Choice is our flagship brand, launched in 1988. Under our Officer’s Choice franchise, we have a presence in five different segments within the industry: Officer’s Choice Blue, a deluxe segment whisky, Officer’s Choice Whisky and Officer’s Choice Star, both mass premium segment whiskies, Officer’s Choice Brandy, a mass premium segment brandy, and Officer’s Choice Rum, a mass premium segment rum. Our ability to develop the brands and retain consumer goodwill are dependent on public perception and recognition of product quality, variety of products, market penetration, accessibility of our products, and our marketing and business promotional initiatives. Any negative publicity or perception of consumers relating to the quality of our products, publication of studies that indicate a significant health risk from consumption of alcohol beverages, range of our product portfolio, pricing strategy etc may adversely impact public perception of our brands. Allegations of low-quality products or misbranding, even when false or unfounded, could tarnish the image of our brands. Our success depends on our ability to enhance our brands and adapt to changing consumer preferences. We also face competition from other established brands in the new markets where we are currently present or markets we intend to expand further.

Inability to market our products and undertake business promotional initiatives to distinguish and strengthen our brands may adversely impact the value and perception of our brands and consumer goodwill and consequently our business prospects and financial performance. For further information, see “ – Internal Risk Factors – 12. Restrictions on advertising of alcoholic beverage products in India limits our ability to advertise our products.” on page 42. Many social media platforms immediately publish the content for their subscribers and participants post, often without filters or checks on accuracy of the content posted. We utilize social media platforms for marketing of our business. We do not have control on the information that may be posted by public users on social media platforms. The dissemination of inaccurate information online could harm our brand, business, reputation, prospects, financial condition and operating results, regardless of the information’s accuracy.

Our brand-building initiatives have in the past included partnerships with teams participating in the Indian Premier League, the Pro Kabaddi League and partnerships with regional football leagues for our focus markets of West Bengal and the North East. We have also in the past appointed celebrity brand ambassadors including a leading cricket personality. We have incurred, and may continue to incur in the future, significant expenditures to build brand awareness and preference over other domestic and international products. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, our advertisement and promotion expenses were ₹ 1,685.30 million, ₹ 1,316.18 million, ₹ 906.63 million and ₹ 704.30 million, and represented 5.49%, 4.39%, 3.86% and 3.62% of our net revenue from operations (revenue from operations less excise duty) (“**Net Revenue from Operations**”), respectively. However, there can be no assurance that any such investments in the future may be successful. While we have been developing and promoting our brand since inception and will continue to invest in building and maintaining our brand’s value in the future to compete effectively, we may not be able to do so successfully or in a cost-effective manner.

3. We depend on sales of our products in certain key States in India, and any reduction in sales of our products in such key States could have a material adverse effect on our business, financial condition, results of operations and prospects.

We are dependent on certain States for the sales of our IMFL products which primarily includes our whisky products. The table below provides details of our revenue from contracts with customer – sale of goods (IMFL) from key States where our products are sold:

State	Fiscal						Nine months ended	
	2019		2020		2021		December 31, 2021	
	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)
West Bengal	19,315.45	21.85%	16,190.00	20.24%	12,414.47	19.71%	10,701.41	20.04%
Telangana	23,494.13	26.57%	13,802.49	17.25%	11,216.17	17.81%	9,029.68	16.91%
Uttar Pradesh	5,044.90	5.71%	9,346.56	11.68%	8,747.56	13.89%	7,891.94	14.78%
Rajasthan	5,039.61	5.70%	5,450.42	6.81%	4,010.46	6.37%	3,226.00	6.04%
Karnataka	2,511.66	2.84%	2,688.02	3.36%	3,178.67	5.05%	2,836.20	5.31%
Odisha	2,579.37	2.92%	3,738.40	4.67%	2,604.53	4.13%	2,496.59	4.67%
Haryana	4,356.92	4.93%	4,610.90	5.76%	3,005.33	4.77%	2,393.13	4.48%
NCT of Delhi	4,057.42	4.59%	3,905.47	4.88%	2,328.99	3.70%	1,169.28	2.19%
Jharkhand	1,260.20	1.43%	1,231.94	1.54%	1,475.44	2.34%	1,059.55	1.98%
Total	67,659.66	76.54%	60,964.20	76.19%	48,981.62	77.77%	40,806.78	76.40%

Production and sales of each of our products and in each of these key States and Union Territories could be rendered uneconomical by regulatory or competitive changes. Our sales in each State and Union Territory depends on the regulations and policies adopted by each State with respect to distribution and sale of alcoholic beverages. States and Union Territories determine from which manufacturers they will purchase, including the prices at which

they procure from manufacturers they choose. The practice adopted by States and Union Territories and their purchasing practice may change from time-to-time and may not be consistent with past practice. If the key States to whom we supply our products to were reduce their trade with us or completely cease their procurement from us, our business, financial condition, results of operations and prospectus could be materially adversely affected. Sales of our products could also be adversely affected by other factors, including increases in excise taxes, supply, production or distribution changes / interruptions, marketing or pricing actions by one or more of our competitors, changes in consumer preferences or other factors. Any such adverse development could result in significant loss which would materially and adversely affect our business, profitability and reputation.

4. We may be unable to increase the selling price of our products which could adversely affect our business, financial condition, results of operations and prospects.

Prices of alcoholic beverages in India is controlled by respective State governments with varying tax structures leading to high variation in prices across States. Each State has its own formula of deciding the prices of alcoholic products. Price is determined by two key factors: (i) ex distillery price (“EDP”) which covers the cost of production; and (ii) state excise policies which specify duties, license fees, cess and surcharges, wholesale margin and retail margin. Taxes and margin are calculated as a percentage of EDP. The contribution of taxes and margins progressively decreases as the EDP moves up as per the category of product. One of the key challenges in the industry is the revision of prices. Price revisions are approved and is the prerogative of excise department. While the window to revise cost in many States is annual in nature, the revision can be every three to four years in some States such as Kerala and Telangana, even though price of raw material may increase or decrease through the year. There are exceptions like Maharashtra where MRP can be revised through the year (*Source: Technopak Report*). State excise departments typically approve the lowest selling price and there is no assurance that we will be able to obtain approval from State governments to increase prices at which our products are retailed. These restrictions reduce the potential size of the market available for our business. Accordingly, our ability to increase the selling price of our products is limited and we may not be in a position to unilaterally increase the selling price of our products. This also impacts our ability to pass on costs increase that we face to end consumers on account of increase in input cost of raw materials and packaging materials or normal inflationary costs. If we are unable to increase our prices sufficiently to offset our increased costs of manufacturing or on account of inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

5. Our business is dependent on the sale of our products to our key customers and the loss of one or more such customers or a reduction for our products could adversely affect our business, result of operations, financial condition and cash flows.

We are dependent on limited customers for a significant portion of our revenues. Our key customers include certain state beverage corporations and private distributors in part corporation market, full corporation market and open market, as applicable. Reduction in the amount of products we sell to such customers whether due to circumstances specific to such customers, such as pricing pressures, an inability on our part to manufacture the products in a timely manner, shortage of raw materials especially ENA, changes in government policies or adverse market conditions affecting our supply chain, could have an adverse effect on our business, results of operations, financing condition and cash flows.

The table below sets forth details of our revenue from our top two customers in the periods indicated:

Customer concentration	Fiscal						Nine months ended December 31, 2021	
	2019		2020		2021			
	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)	Revenue from contracts with customer – Sale of Goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer – Sale of Goods (IMFL) (%)
Top 2	43,261.03	48.93%	30,401.18	38.00%	23,939.22	38.01%	19,943.59	37.34%

Our key customers primarily include state beverage corporations, wholesalers and distributors any change in our relationship with such key customers could impact our business and lead to a reduction in our sales volumes. Under

the terms of our agreements with state beverage corporations we are required to furnish a security deposit as mandated by the state beverage corporation and indemnify the state beverage corporations for any payments that we are liable to make. Orders placed by state beverage corporations may be cancelled and our deposit may be forfeited on the occurrence of certain events or instances. There is no assurance that our key customers will continue to place similar orders with us in the future. We are also required to comply with additional requirements of procuring QR coded security holograms from specified agencies. The agreements also stipulate adherence to specific quality standards and our products may be rejected by the state beverage corporation in the event our products do not conform to the prescribed quality standards. The agreements also set out the manner in which we are required to make available our facilities for inspection and the manner in which delivery of our products to depots is to be undertaken. The loss of any one or more of our key customers for any reason including on account non-renewal or delay in renewal of our contracts and disputes could have an adverse effect on our business, results of operations and financial condition.

We may also be impacted on account of adverse changes in the financial condition of private wholesalers and distributors on account of bankruptcy or liquidation or other financial hardship, merger or decline in their sales, reduced or delayed product requirements, labour strikes or other work stoppages. The deterioration of financial condition or business prospects of these customers could reduce their requirement of our products and result in a significant decrease in the revenues we derive from these customers. Therefore, there can be no assurance that we will not lose all or a portion of sales to these key customers, or that we will be able to offset any reduction of prices to these customers with reductions in our costs or by obtaining new customers. In the event of loss of one or more of our customers on whom we dependent on for the sale of our products, there can be no assurance you that we may be able to offset such loss of business by entering into contracts with new customers or our existing customers.

6. *The current and continuing impact of the COVID-19 pandemic on our business and operations, including its impact on the ability or desire of consumers to purchase our products, may have an adverse effect on our business, results of operations, financial condition and cash flows.*

The outbreak of the COVID-19 pandemic and its continuing impact, as well as government measures to reduce the spread of COVID-19 pandemic, have had a substantial impact on our operations. The impact of the pandemic on our business, operations and financial performance have included and may continue to include the following:

- Temporary shutdown of our distillery and owned and/or operated bottling facilities and third-party bottling facilities for several weeks in the months of March and April 2020. In particular, the period of national lockdown mandated by the Government of India between March 23, 2020 to May 23, 2020, resulted in complete ban on the sale of alcohol in India, which significantly impacted our business, revenue from operations and cash flows. The total cases sold by us declined from 33.23 million cases in Fiscal 2020 to 25.52 million cases in Fiscal 2021 and was 20.66 million cases in the nine months ended December 31, 2021. Further future regulatory restrictions relating to the pandemic interrupting our operations may also affect our ability to effectively manage our sales and our product inventory.
- Disruptions of the services we receive from third-parties including our suppliers and transportation and logistics partners, due to sporadic availability of raw ingredients, fluctuating and unpredictable demands, and disruptions in supply chain.
- Compliance with evolving government regulations, including with respect to social distancing measures and sanitization practices. Although we are currently in compliance with such guidelines, any failure in the future to fully comply or adhere to the measures and guidelines or any other similar regulations could lead to the imposition of penalties, fines or other sanctions, which could have an adverse impact on our business.
- Certain of our employees also contracted COVID-19 leading to adverse impacts on their health.

Due to the restrictions imposed by COVID-19, we had to pay certain amounts to our third-party bottling facilities. For example, for our third-party bottling facility in Assam, we paid ₹ 6.00 million between July 2021 to September 2021 since our bottling volume did not reach the minimum bottling charge as prescribed under the agreement. Further, we had to pay additional bottling charge of ₹ 5 per case to another third-party bottling facility amounting to ₹ 0.34 million between October 2020 to March 2021 due to increased operational cost.

Further, our revenue from operations decreased from ₹ 81,190.65 million in Fiscal 2020 to ₹ 63,787.76 million in Fiscal 2021 and was ₹ 54,449.84 million for the nine months ended December 31, 2021; and our profit after tax for the year/period decreased from ₹ 127.93 million in Fiscal 2020 to ₹ 25.08 million in Fiscal 2021 and was

₹ 33.02 million for the nine months ended December 31, 2021. We also availed a moratorium of ₹ 291.91 million on principal and ₹ 46.42 million on interest during Fiscal 2021.

Additionally, there can be no assurance that we will be able to successfully achieve our business plan or expansion strategies in the event of subsequent waves of COVID-19 pandemic or any other pandemic in India that lead to additional restrictive measures or hamper overall economic recovery. Even though we have taken various initiatives like temperature checks at the gates of our facilities, spreading awareness of the disease, vaccination drives, frequent sanitation of our facilities, hand sanitisation stations installed at regular placements, redrawing and reorganising our workplace layout to ensure social distancing, physical barriers put in place where necessary and new standard operating procedures for the handling of incoming and outgoing goods and other materials in our distillery and bottling facilities, we cannot assure you that in the event of another COVID-19 wave additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of COVID-19.

In addition, if our Key Managerial Personnel or a significant percentage of our workforce is unable to work due to COVID-19 illness, quarantine, limitations on travel or other government restrictions in connection with the COVID-19 pandemic, our operations may be negatively impacted. An outbreak or perceived outbreak of the COVID-19 pandemic connected to one or more of our distillery and bottling facilities could also cause negative publicity directed at any of our customers and cause them to avoid our products, which could have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and prospects. Also see “*Financial Information*” on page 272.

7. *We are exposed to additional risks associated with engaging with public sector undertakings that could materially and adversely affect our business, results of operations, financial position and cash flows.*

In order for us to sell our products, we have to periodically participate in ‘tenders’ issued by relevant state beverage corporations for procurement of alcoholic beverages for supply by such state beverage corporations. As part of these ‘tenders’, we are typically required to indicate the price at which we intend to supply products to the state beverage corporations and volume of products to be supplied by such manufacturer to the relevant state beverage corporations.

Following these ‘tenders’, we enter into agreements with such state beverage corporations for a fixed term and such agreements are typically valid for a period of one year and in certain instances for a period longer than one year. We are also required to comply with the terms of our agreements with state beverage corporations. Certain of these terms include:

- Supply only based on orders placed by the state beverage corporation;
- Cancellation or termination of orders on account of specified conditions leading to forfeiture of deposit paid;
- Transit losses are required to be borne by the manufacturer;
- Adherence to specific quality standards and rejection of goods for non-adherence to such standards. Further the goods may also be destroyed and we may be liable to pay such amounts as determined by the state beverage corporation;
- The state beverage corporation may require us to advance in full or in part the excise duty payable;
- Payments from state beverage corporation will be received following disposal of the products by the state beverage corporation; and
- If stock of our products held by the state beverage corporation is not disposed with a certain period, we are also liable to pay ‘inactive stock penalty’ at the prescribed rate.

Accordingly, we may not be able to comply with the terms of the agreements which could result in a termination of the agreement, which in turn could adversely impact of business, financial condition and results of operations. Further, payments from state beverage corporations may be subject to delays, due to regulatory scrutiny and procedural formalities. To the extent that payments by state beverage corporations to us are delayed, our cash flows may be impacted.

In addition, certain government entities may be subject to audits by the Comptroller and Auditor General of India, and following completion of such audits, we may be subject to certain liabilities and penalties that may be imposed for any variation in products supplied to these entities or otherwise. In the event there are any delays in issuing of ‘tenders’ for procurement, our business, prospects and results of operations could be materially and adversely affected.

8. *Inadequate or interrupted supply and price fluctuation of our raw materials and packaging materials could adversely affect our business, results of operations, cash flows, profitability and financial condition.*

The quantity we are able to distil and bottle, and the cost of our products are dependent on our ability to source raw materials and packaging materials at competitive or acceptable prices, and maintain a stable and sufficient supply of our major raw and packaging materials. Our key raw ingredients include grain, extra neutral alcohol, malt spirit, and scotch. We use certain materials for packaging, which includes glass bottles, plastic and aluminium caps, as well as cardboard containers (master and mono). Our cost of materials consumed in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021 was ₹ 18,365.84 million, ₹ 18,451.21 million, ₹ 13,904.44 million and ₹ 12,005.34 million, respectively, and accounted for 21.28%, 23.40%, 22.48% and 22.68% of our total expenses (excluding finance cost and depreciation / amortisation), respectively. ENA, the main raw material that we use is subject to price volatility and unavailability caused by external conditions such as availability of grain and government interventions like allocation for fuel blending, commodity price fluctuations within India and globally, weather conditions, supply and demand dynamics, logistics and processing costs, our bargaining power with the suppliers, inflation and governmental regulations and policies. We manufacture ENA in our distillery in Telangana. Further, we source a portion of our ENA requirements from across India, including Maharashtra, West Bengal and Rajasthan, amongst other States. We are required to pay import duty when we procure ENA from States other than where our facilities are located.

Climatic conditions such as unseasonal rain, changing monsoon conditions and the drastic and sudden peaks of temperatures within the same season that have characterized the last few years in India, can significantly damage harvests and affect the cultivation of grain. As a result of these changes in climate, there is a risk that we may not be able to obtain adequate supply of grain required to manufacture ENA for our business operations. Furthermore, the unavailability of raw materials can also be caused by other conditions, such as pandemics, seasonality, inflation and general economic and political conditions, civil disruptions in the region, or changes in the policies of the state or local government of the region or the Government of India, including restrictions by relevant state government on selling of ENA outside that particular, could lead to significant business disruption and require us to incur significant capital expenditure, change our business structure or strategy, which could have an adverse effect on our business, results of operations, cash flows and financial condition. We have, in the past, experienced an increase in the price of our raw materials and packaging materials due to commodity price fluctuations and as such, commodity price increases in future may result in unexpected increases in prices of our raw material and packaging material. If we are unable to manage these adverse cost impacts or unable to increase the prices of our products to offset such increased costs, our margins, cash flows and overall profitability and financial condition may be adversely affected.

Our business is also dependent on suppliers of our raw and packing materials. We enter into long term supply arrangements for certain of our raw materials, *i.e.*, arrangements which are valid for more than six months. If any of key suppliers of our raw materials fails for any reason to deliver in a timely manner or at all, it may affect our ability to manage our inventory levels, produce relevant products, and supply our products. In addition, we do not have formal arrangements to purchase some of our packaging materials with suppliers. If our suppliers for any particular packaging materials are unable or unwilling to meet our requirements or our estimates fall short of the demand, we could suffer shortages or cost increases. This may also result in an increase in our procurement costs which we may or may not be able to pass on to our customers. Further, there can be no assurance that we will be able to effectively manage relationships with our existing or new suppliers or that we will be able to enter into arrangements with new suppliers at attractive terms or at all. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

9. *An inability to expand or effectively manage, or any disruptions in our distribution chain may have an adverse effect on our business prospects and financial performance.*

A significant portion of our sales are to various state-Government controlled agencies. Our business is significantly dependent on our customer network who distribute our products to end retailers. In Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, sales to various state Government controlled agencies amounted to ₹ 59,895.02 million, ₹ 47,871.75 million, ₹ 34,393.36 million and ₹ 29,138.64 million, respectively representing 67.74%, 59.84%, 54.60% and 54.56% of our total revenue from contracts with customer – sale of goods (IMFL). Accordingly, we are subject to the regulation by various state governments in India in the states where we maintain our operations. The distribution network for our products is controlled by the relevant State or Union Territory government in some of the States and Union Territories in which we operate. For further information in relation to region wise split of our distribution network, see “*Our Business – Distribution Network and footprint*” on page 369.

Our ability to produce, transport, and sell our products is critical to our success. Any damage or disruption to our supply chain, including transportation and distribution capabilities, due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, government action, or other reasons beyond our control or the control of our customers, could impair our ability to produce or sell our products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events or to effectively manage such events if they occur could adversely affect our business or financial results.

Our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We continuously seek to increase the penetration of our products to ensure a wide distribution network targeted at different regions. We cannot assure you that we will be able to successfully attract customers, maintain and strengthen our relationships with our existing customers, or manage our customer network. As we rely on our customers for most of our sales, any one of the following events could adversely impact or result in a decrease in our sale of products and consequently impact our financial performance:

- failure to renew agreements with our customers or failure to renew such agreements at favourable terms;
- inability to comply with new channels of conducting business;
- inability to navigate the changes in route-to-market channels;
- inability to manage alcohol regulations in different states effectively;
- failure to maintain relationships with our existing customers;
- failure to establish relationships with new buyers and customers, on favorable terms or at all;
- inability to timely identify and attract additional customers on loss of one or more of our customers;
- reduction, delay or cancellation of orders from our customers; and
- disruption in delivery of our products by our customers.

We may not be able to compete successfully against larger and better-funded customer networks of some of our current or future competitors. If the terms offered to such buyers or customers by our competitors are more favourable than those offered by us, our customers may decline to buy or distribute our products and terminate their arrangements with us. We cannot assure you that we will not lose any of our customers to our competitors, which would result in losing some or all of our favorable arrangements with such customers and may result in the termination of our relationships with such customers.

Alternately, if our customers are not able to maintain a strong network of end retailers, our products may not attain as much reach as our competitors in the market and we may lose customers and thereby our market share. Further, we may be unable to attract alternative customers which may lead to a decline in the sales of our products and adversely affect our business prospects and financial performance.

Further, impact of COVID-19 led to opening of e-commerce and home delivery for alco beverages in India. In May 2020, some states in India launched e-commerce trials for the first time in response to overcrowding in liquor stores, which followed the relaxation of the country's lockdown measures. Maharashtra, Punjab, West Bengal, and Chhattisgarh were the first adopters, with several other states later following the process. The two popular models of e-commerce being tried in India is supply through an aggregator who can pick stocks from retailers or direct supply from retailer to the customer. Further, some states are also allowing third-party operators to deliver alcohol. (*Source: Technopak Report*) In the event these policies are amended to allow e-commerce and home delivery of alcohol straight from the manufacturers to distributors and end customer, we may have to enter into new agreements with distributors and have to further acquire or lease additional warehouse which may have and adverse impact on our cash flows. Further, However, e-commerce of alcoholic beverages and home delivery may be a temporary measure in order to ensure alcohol sales volume and related excise revenues can be maintained by state governments. In the absence of any formal regulations, there is no assurance that such distribution channel would be available in the future.

10. *Any slowdown or interruption to our production operations or under-utilization of our existing or future distillery and bottling facilities may have an adverse impact on our business and financial performance.*

We have one distillery located in Rangapur, Telangana. In addition as of December 31, 2021, our products were bottled across 30 bottling facilities. As of December 31, 2021, we owned and operated nine bottling units, and had entered into arrangements with six third party bottling facilities, where the entire licensed capacity is utilized by us. In addition, we have entered into 15 bottling agreements on a non-exclusive basis with third-party bottling facilities, including one facility where we have entered into a royalty arrangement. Any slowdown or interruption to our production operations or under-utilization of our existing or future distillery and bottling facilities over

extended periods, or significant under-utilization in the short term, may have an adverse impact on our business and financial performance.

In particular, our business is highly dependent on our distillery at Rangapur, Telangana, which currently represents a significant portion of our total distillation capacity for our products. Our in-house distillation capacity of ENA, the key material used in the manufacture of our products, is 54.75 million litres per year. Accordingly, factors that impact operations at our distillery and bottling facilities, and particularly our Rangapur, Telangana distillery facility, include operational risks beyond our control, including power shortages, labour disputes, natural disasters, industrial accidents and compliance with regional and national regulatory requirements. For example, in August 2020, there was a boiler accident in our distillery in Rangapur, Telangana which resulted in stoppage of operations for a certain period of time. Any further breakdowns or obsolescence in the equipment in our distillery or bottling facilities may interrupt our blending and bottling process. Any further significant malfunctions or breakdown of our equipment in the future may involve high repair and maintenance costs and may cause interruptions to our production operations. Further, we may also face challenges to procure equipment for our distillery or bottling facilities. In addition, planned shutdowns of our facilities for maintenance, statutory inspections and testing may be required, or certain facilities may be shut down for capacity expansion and equipment upgrades.

In addition, certain of our raw ingredients such as caramel and food flavouring are perishable products, and any interruption in our distillation or bottling operations may adversely affect the quality of such raw ingredients. Although routine safety procedures in the operations of our facilities are employed and adequate insurance is maintained by us, our operations may be susceptible to industrial accidents which could result in bodily harm, destruction of property or equipment, environmental damage, delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant and negative publicity could arise out of such actions, and may have a negative effect on our business, financial condition and results of operations.

11. *An increase in taxes or a change in the tax calculation method may affect the demand for our products and could adversely affect our business, financial condition, results of operations and prospects.*

Taxes on alcohol increases its price and thus can be a powerful lever for influencing alcohol consumption. In addition to excise some States also charge sales tax. In addition to these taxes there are one time or annual fees on label registration and related activities (*Source: Technopak Report*). As we are a manufacturer of alcoholic products, we are subject to excise duty in India levied by various state governments. We pay excise duty based upon bulk litre / production volumes / bottled volume. The excise duty applied to alcoholic beverages are determined by excise policies of the respective state government in which they are produced and sold. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we paid ₹ 58,674.56 million, ₹ 51,231.15 million, ₹ 40,304.10 million and ₹ 34,996.04 million in excise duty, which amounted to 65.67%, 63.10%, 63.18% and 64.27% of our revenue from operations in those periods, respectively.

An increase in taxes rate or a change in the tax calculation method may cause us to increase the price of our products, resulting in lower volume of consumption and, therefore, cause a decrease in revenue from operations. In addition, we may have to wholly or partly bear the cost arising from the increased taxes, which could adversely affect our business, financial condition, cash flows and results of operations.

The respective state government may adjust the excise duty rate attached to alcoholic products. Such adjustment of the aforesaid tax rate will increase cost of our products. As a result, we generally intend to pass on a certain amount of such adjusted taxes to the consumers by a corresponding adjustment in the product prices, which may result in the lower volume of consumption and changes of consumer behaviour from purchasing our products, which would adversely affect our business, financial condition, results of operations and prospects.

12. *Restrictions on advertising of alcoholic beverage products in India limits our ability to advertise our products.*

The Indian alcoholic beverage industry faces restrictions on advertising of alcoholic beverages and brand promotion. These restrictions and limitations relate to television, print and multimedia advertising of alcoholic beverages. These restrictions are on account of public concern over issues relating to alcohol abuse, health consequences, underage drinking and driving while under the influence of alcohol. For further information, see “*Key Regulations and Policies*” on page 206. These limitations may inhibit or restrict our ability to maintain or increase consumer recognition and support for our brands. They may also limit the our Company’s ability to successfully launch new products or brands. Due to the extremely competitive nature of the industry in which we operate and the industry challenging norms on advertising, further enhancing the popularity of our brands may

require us to make a substantial investment, including market penetration, and increase our marketing, advertising and business promotion expenses. As our business expands into new markets and regions and as the industry in which we operate becomes increasingly competitive, maintaining and enhancing the image of our brands may become increasingly difficult and expensive. In addition, limitation on the form of advertisement that we are able to undertake may also result in an increase of our advertising expenses. An inability to enhance the visibility of our brand may adversely impact consumer goodwill and brand recall, and consequently our business prospects and financial performance. Further these laws are also subject to further changes and clarifications which may require us to redirect our resources to assess impact. For example, on June 9, 2022, Central Consumer Protection Authority released certain guidelines which restricted surrogate advertisements for restricted products subject to certain exceptions. While as on the date of this Draft Red Herring Prospectus, we do not believe there is any impact, we cannot assure you that there will not be any clarification that could adversely affect our advertising strategy.

13. *Any loss of business or potential adverse publicity resulting from spurious or imitation products, could result in loss of goodwill for our products leading to loss of sales, and adversely affect our business, prospects, results of operations and financial condition.*

We are exposed to the risk that entities in India and elsewhere could pass off their products as our products, including spurious or imitation products. For example, products imitating our brands and packaging look selling spurious products may adversely affect sale of our products, resulting in a decrease in market share resulting from a decrease in demand for our products. Such imitation or spurious products may not only result in loss of sales but also adversely affect the reputation of our products and consequently our future sales and results of operations. For example, in the State of Assam in December 2021, a third party was found to be manufacturing and selling/dealing in counterfeit alcoholic beverages under the label *Officer Choice Prestige Whisky*, which is an imitation of our brand, *Officer's Choice*. Our Company has filed a FIR against the third party. For further information, see “*Outstanding Litigation and Material Developments*” on page 411. As of the date of this Draft Red Herring Prospectus, the matter is currently pending.

The proliferation of spurious and imitation beverages in our markets, and the time and resources in taking action against such spurious products, defending claims and complaints regarding these spurious products, could result in lower sales, and adversely affect our results of operations and may have a material and adverse effect on our reputation, business, prospects, results of operations and financial condition.

14. *While certain of our trademarks used by us for our business are registered, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.*

Our success and ability to compete depends, in part, on our ability to protect our trade secrets, trademarks, know-how, confidential information, proprietary methods and technologies and other intellectual property and proprietary rights, so that we can prevent others from using our product inventions, proprietary information and property. We rely on trademark laws, and confidentiality or license agreements with our employees, suppliers, customers and other third parties, and generally limit access to and distribution of our proprietary information, in order to protect our intellectual property rights and maintain our competitive position. However, we cannot guarantee that the steps we take to protect our intellectual property rights will be effective. As of the date of this Draft Red Herring Prospectus, we have filed and are a party to 18 ongoing trademark infringement cases. For further information, see “*Outstanding Litigation and Material Developments*” on page 410.

In the absence of trademark and copyright registrations, we may not be able to initiate an infringement action against any third party who maybe infringing our trademarks. With respect to our trademarks that have been applied for and/or objected or opposed, we cannot assure you that we will be successful in such a challenge nor can we guarantee that eventually our trademark and copyright applications will be approved, which in turn could result in significant monetary loss or prevent us from selling our products under these trademarks and copyright. As a result, we may not be able to prevent infringement of our trademarks and copyright and a passing off action may not provide sufficient protection until such time that this registration is granted. As of December 31, 2021, there is ongoing litigation against our Company by John Distillers Private Limited challenging the order of the Intellectual Property Appellate Board in the rectification application for removal of the registration granted under no. 538927 to the Company for the label mark “*Officers Choice*”. The matter is currently pending. For further information, see “*Government and Other Approvals*”, and “*Outstanding Litigation and Material Developments*” on pages 418 and 413.

As on March 31, 2022, we own 527 trademarks under various classes, 17 designs and 19 copyrights in India and outside India. As we expand our activities globally, we are also exposed to the risk that other entities may pass off their alcohol and spirits products as ours by imitating our brand name, packaging look and attempting to create

counterfeit products. Any such activities may harm the reputation of our brand and sales of our products, which could in turn adversely affect our financial performance. We rely on protections available under Indian law, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving, and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business, results of operations and financial condition. For further information, see “ *Internal Risk Factors – 13. Any loss of business or potential adverse publicity resulting from spurious or imitation products, could result in loss of goodwill for our products leading to loss of sales, and adversely affect our business, prospects, results of operations and financial condition.* ” on page 43.

15. *Termination of our agreements in relation to the bottling facilities may adversely affect our business, results of operations and financial condition.*

We are dependent on third-party bottling facilities for our operations. As of December 31, 2021, we owned and operated nine bottling units, and had entered into arrangements with six third-party bottling facilities where the entire licensed capacity is utilized by us. Over the years, we have developed relationships with third-party bottlers and as of December 31, 2021, we have entered into 15 bottling agreements on a non-exclusive basis including one where we have entered into a royalty arrangement. As of December 31, 2021, our products are bottled across 30 bottling facilities. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, our total Net Revenue from Operations from third-party bottling facilities were ₹ 25,737.05 million, ₹ 22,970.09 million, ₹ 17,659.25 million and ₹ 10,734.93 million, respectively, representing 28.81%, 28.29%, 27.68% and 19.27% of our revenue from operations, respectively.

As on the date of this Draft Red Herring Prospectus, there are seven cases under Section 138 of the Negotiable Instruments Act, filed by various bottlers, pursuant to dishonoured cheques aggregating to ₹ 39.41 million. Further, there are five recovery proceedings filed by the bottlers amounting to ₹ 40.26 million due to the non-payment of certain monies owed to them. Although we are not a party to these matters, we still have an interest in the payment of these defaults to be able to recover its dues from these bottlers. Since these bottlers are the holders of the respective excise licenses, any suits or complaints for the recovery of payments from customers or debtors had to be filed in the name of the bottlers. Since our Company has beneficial interest in these suits or complaints, all such matters are handled by and costs borne by us.

Any non-renewal or termination of our agreements with subsisting contracted and third-party bottling facilities could adversely affect our growth strategy, and may adversely affect our production, sales and financial performance. In such circumstances, if we are unable to find a suitable replacement of another third-party bottling facility in the same region or are unable to enter into new third-party bottling agreement at attractive terms or at all, there can be no assurance that we will be able to ensure timely supply of products to our customers, which could adversely impact our business prospects and financial performance.

16. *We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition. In addition, certain of our financing agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.*

The alcohol industry is working capital intensive in nature, and we fund a large part of our operations through financing from banks and other financial institutions. As of December 31, 2021, we had total financial indebtedness of ₹ 9,268.90 million. For further information on our secured borrowings, see “*Financial Indebtedness*” on page 405. Further, we are required to maintain a high level of working capital. We usually finance our working capital requirements mainly through our internal accruals and arrangements with banks. As we intend to pursue a strategy of continued investment in our development activities, we will incur additional expenditure in the current and future fiscal periods. We propose to fund such expenditure through a combination of debt, equity and internal accruals. Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows and our capacity to service debt in a rising interest rate environment.

The actual amount and timing of our future capital requirements may also differ from estimates as a result of, among other things, change in business plans due to prevailing economic conditions, unanticipated expenses, new consumption themes or products, and regulatory changes. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. We may also have difficulty accessing capital markets, which may make it more difficult or expensive to obtain financing in the future.

Moreover, certain of our loan documents contain provisions that may limit our ability to alter our capital structure and shareholding pattern, incur future debt or raise additional equity, undertake new projects or expansion or investment activities, change the composition of our board of directors and key managerial personnel, incur future debt, make certain payments or take certain actions. In addition, the availability of borrowed funds for our business may be greatly reduced, and lenders may require us to invest increased amounts of funds in a certain project or require increased security coverage in connection with both new loans and the extension of facilities under existing loans. We may not be successful in obtaining these additional funds in a timely manner, or on favourable terms or at all. Without sufficient funding/liquidity, we may not be able to acquire additional land or develop additional projects, which would adversely affect our results of operations. If we do not have access to additional capital, we may be required to delay, postpone or abandon some or all of our projects or reduce capital expenditures and the size of our operations, any of which may adversely affect our business, financial conditions and results of operations.

Our ability to service our indebtedness will depend on our future performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors, many of which are beyond our control. If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations, our contractual obligations, or to fund our other liquidity needs, we may be forced to sell our assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness and/ or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

Our financing agreements generally include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions such as (i) changing the capital structure of our Company; (ii) amending the constitutional documents of our Company;(iii) undertaking new projects or expansion activities, including through mergers and restructuring; (iv) paying any commission, brokerage or fees to its promoters/directors/guarantors/security providers; (v) making any repayment of loans and deposits and discharge other liabilities; (vi) making any change in the management set-up, or composition of its board of directors and key managerial personnel; and (vii) approaching capital markets for mobilizing additional resources either in the form of debt or equity. Our financing agreements also generally contain financial covenants that require us to maintain, among others, specified debt-to-equity ratios. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document, and may restrict or delay certain actions or initiatives that we may propose to take from time to time. Further, while we have obtained all requisite lender consents in relation to the Offer, our Company was unable to fulfil certain conditions as mentioned in the respective working capital consortium agreement/sanction letters with respect to facilities availed from Axis Bank Limited, IDFC First Bank and Yes Bank Limited, where there was a breach of certain covenants for Fiscal 2020 and 2021. Axis Bank Limited IDFC First Bank and Yes Bank Limited have waived / condoned the breach. Further, there was an overdue on repayment of certain facilities from Yes Bank Limited, however, as per the letter dated May 26, 2022 from Yes Bank Limited, the amount overdue has been paid and that the rectification has been accepted, making the account standard.

We are susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further, under certain of our financing agreements, the lenders are entitled to charge the applicable rate of interest, which is a combination of a base rate/MCLR rate that depends upon the policies of the RBI and a contractually agreed spread, and in the event of an adverse change in our Company's credit risk rating. Also see "*Financial Indebtedness*" on page 405 for a description of interest payable under our financing agreements. Further, in recent years, the GoI has taken measures to control inflation, which included tightening the monetary policy by raising interest rates. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows, and financial condition.

Further, the cost and availability of our capital depends on our credit ratings. Credit ratings reflects the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium term revenue visibility and operating cycle. Our terms loan facilities and working capital facilities were assigned IND BBB+/Stable ratings for Fiscal 2022 by India Ratings & Research.

Any downgrade in our credit ratings could increase borrowing costs, result in an event of default under our financing arrangements and adversely affect our access to capital and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

17. *Increasing competition in the IMFL industry may create certain pressures that may adversely affect our business, prospects, results of operations, cash flows and financial condition.*

The IMFL industry is highly competitive in India, with our main competitors being United Spirits Limited, Pernod Ricard India Private Limited and Radico Khaitan Limited. (*Source: Technopak Report*) We compete mainly on product offerings in the whisky, brandy and rum categories, brand image, price, customer service, distribution network and quality.

We may face competition from larger competitors with significant resources and which benefit from economies of scale and scope. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer products similar to ours at lower prices without adversely affecting their profit margins. Even if our offerings address industry and customer needs, our competitors may be more successful at selling their products. If we are unable to provide our customers with products that suit their tastes and preferences at competitive prices or successfully market those products to current and prospective customers, our business, results of operations and financial condition may suffer. We may face competition in States and countries where we currently operate, as well as in States and countries in which we expect to expand our operations and may have limited or no experience. Additionally, we believe that our ability to compete also depends in part on factors outside of our control, such as our competitors' process, and the extent of our competitors' responsiveness to their customers' needs.

Our inability to compete adequately and effectively may have a material adverse effect on our business prospects, financial condition and results of operations. We cannot assure that our Company will be able to successfully compete within this increasingly competitive industry.

18. *Any contamination or deterioration of our products could result in legal liability, damage our reputation and adversely affect our business prospects and financial performance.*

We are subject to various contamination-related risks which typically affect the food and beverage industry, including product tampering; improper storage of our products and raw ingredients; adulteration of our products with any substance unfit for human consumption; labelling and packaging errors; inferior quality raw ingredients; non-compliance with food safety and quality control standards; cross-contamination of products during production; as well as wastage of products during production or transportation.

Any actual or alleged contamination or deterioration of our products, whether deliberate or accidental, could result in legal liability, damage to our reputation and may adversely affect our business prospects and consequently our financial performance. The risk of contamination or deterioration exists at each stage of the production cycle, including during the production, storage and delivery of raw materials, packaging, storage and delivery to our customers and the storage and shelving of our products by our customers and end retailers until final consumption by consumers. While we follow stringent quality control processes and quality standards at each stage of the production cycle, there can be no assurance that our products will not be contaminated or suffer deterioration. We also employ third-party transportation providers to deliver our finished products to our various customers. Further, there can be no assurance that contamination of our raw materials or products will not occur during the transportation, production, distribution and sales processes due to reasons unknown to us or beyond our control. If our products or raw ingredients are found to be spoiled, contaminated, tampered with, incorrectly labelled or reported to be associated with any such incidents, we may be forced to recall our products from the market and we could incur criminal or civil liability for any adverse medical condition or other damage resulting from consumption of such products, which we may not be able to fully recover from our suppliers or insurance coverages. We may also be subject to liabilities arising out of such violations under the provisions of the Prevention of Food Adulteration Act, 1954 ("**PFA Act**") and Food Safety and Standards Act, 2006 ("**FSS Act**") along with relevant rules and regulations. We cannot assure you that we will not be subject to any future legal proceedings under the FSS Act.

Further, contamination of any of our products could also subject us to product liability claims, adverse publicity and government scrutiny, investigation or intervention, product return, stoppage and/or disruption of operations resulting in increased costs and any of these events could have a material and adverse impact on our reputation, brand goodwill, business, financial condition, cash flows, results of operations and prospects. Although historically we have not experienced any significant product liability claims or similar allegations against us or our products,

there can be no assurance that there will not be any such claims or allegations in the future which could materially and adversely affect our business and financial performance or lead to civil and criminal liability or other penalties and implications. Any negative claim against us, even if meritless or unsuccessful, could divert our management's attention and resources, which may adversely affect our business and results of operations. Any such event may have a material adverse effect on our reputation, brand goodwill, business, financial condition, cash flows, results of operations and prospects.

19. *Demand for our products may be adversely affected by changes in consumer preferences and any significant reduction in demand could adversely affect our business, prospects, results of operations and financial condition.*

We operate in the highly competitive alco-beverage industry and rely on the continued demand for alcohol products. In order to maintain and increase revenues and profitability, we are required to continuously address market trends and consumer preferences and produce and sell alcoholic beverages that appeal to consumers. Consumer preferences may evolve due to a variety of factors, including consumer concerns or health perceptions relating to alcoholic beverages; the packaging materials we use, or changes in packaging or consumption size; any change in consumption patterns, religious perceptions about alcohol consumption; any changes in weather patterns or seasonal consumption cycles; any negative publicity resulting from regulatory action, litigation against us or other companies in our industry or negative or inaccurate posts or comments in the media, including social media, about us, our products or advertising campaigns and marketing programs; consumer perception of social media posts or other information disseminated by us or our employees, agents, customers, suppliers, bottlers, distributors, or other third parties; any downturn in macroeconomic conditions; unemployment; reduction in disposable income; and taxes or other restrictions imposed on our products. Changes in consumer preferences may reduce consumers' willingness to purchase certain of our products and adversely affect our business, prospects, results of operations and financial condition. If our competitors are able to better respond to changing consumer preferences, we may not be able to maintain our competitive position in the alcohol beverage industry.

Our success depends on our ability to anticipate and effectively respond to shifts in consumer trends, including convenience and availability of the products consumed, the quality of our products, ability to improve production and packaging of our beverages, and our ability to respond to competitive pricing pressures. If we are unable to anticipate the changing tastes and preferences of consumers at an early stage, we may not be able to introduce products that meet our consumers' demand. In addition, acceptance of our products and by consumers may not be as high as we anticipate. Furthermore, our products may fail to appeal to the consumers, either in terms of taste or price. We are also subject to the preferences of consumers in various regions where our consumers are located, including in relation to the quantity, quality, characteristics and variety of our products. The quality and characteristics of our products are also subject to government policies of various regions where our products are sold, and such government policies may change from time to time. In the event of a significant change in consumer preferences or in the event of an inability on our part to anticipate or react to such changes, it could result in reduced demand for our products and erosion of our competitive position and goodwill and could adversely affect our business, prospects, results of operations and financial condition.

20. *An inability to comply with food safety laws, environmental laws and other applicable regulations in relation to our distillery and third-party bottling facilities may adversely affect our business, financial condition and results of operations.*

Our business operations, in particular our day-to-day production operations are subject to a broad range of health, safety and environmental laws and regulations, and violations of these laws and regulations can result in fines, penalties or litigation, which may adversely affect our business, financial condition and results of operations. For instance, the provisions of the FSS Act, Food Safety and Standards (Alcoholic Beverages Standards) Regulation, 2018 and all rules, regulations and subsidiary legislation are applicable to us and our products, which sets forth requirements relating to the license and registration of food businesses and general principles for food safety standards, and manufacture, storage and distribution of food products. Contravention of the requirement to obtain a license or carrying a business without obtaining a license under the FSS Act is punishable with imprisonment and/or fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. To remain compliant with all laws and regulations that apply to our operations and products, we may be required in the future to modify our operations or make capital improvements. For further information, see "*Key Regulations and Policies in India*" on page 206.

We are also subject to laws and Government regulations, including in relation to safety, health and environmental protection. These laws and regulations include the Environmental Protection Act 1986, the Air (Prevention and Control of Pollution) Act 1981 (the "**Air Act**"), the Water (Prevention and Control of Pollution) Act, 1974 (the

“Water Act”) and other regulations promulgated by the Ministry of Environment and the pollution control boards of the relevant States. These environmental protection laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other such aspects of our production. In particular, there have been multiple rounds of regulatory changes with regards to packaging material and the use of plastics in packaging and obligations imposed on us to appoint an authorised agency to collect the plastic packets of food products sold to the end consumer. There can be no assurance that there will not be future changes in the regulatory framework concerning this area of production, which may cause commercial and operational challenges to our Company. Correspondingly, there can be no assurance that we will not be in violation of these regulations in the future even though in the past, we have not been subject to any such violations. However, in the future, if we fail to meet environmental requirements, we may be subject to administrative, civil and criminal proceedings by Government entities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as revocation of approvals and permits and orders that could limit or halt our operations. As of March 31, 2022, we have exported our products to 22 countries internationally, including countries in North and South America, Africa, Asia, and Europe. As such, our maintenance of quality control and standards are customarily expected, and compliance with food safety laws of the relevant jurisdictions is required. Our inability to maintain such standards and non-compliance of jurisdictional food safety laws may impact our business, financial condition and results of operations. For details, see “*Our Business – Quality Control*” and “*Government and Other Approvals*” on pages 196 and 418, respectively.

There can be no assurance that such non-compliance will not occur and regulatory actions including injunction orders will not be taken or passed against us. We are currently involved in two FSSAI matters, for the misbranding of our Officer’s Choice Prestige Whisky due to the name or recognised international numerical identification number of the permitted natural colour, “*caramel*”, and the type of flavouring agents used in the product not being mentioned on the label which is currently pending and for the misbranding of our Class 21 Green Apple Flavoured Grain Vodka due to the type of flavouring agents used in the product not being mentioned on the label. We were ordered to pay a total of ₹ 50,000 as penalty for such misbranding. We may become involved in such litigation or proceedings relating to food safety or environmental matters in the future, which could divert management time and attention, consume financial resources, cause operational delays or result in a shutdown of our distillery and bottling facilities. For details, see “*Outstanding Litigation and Material Developments*” on page 412. No assurance can be given that we will be successful in all, or any, of such proceedings. Further, the loss or shutdown of our operations over an extended period of time, clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, financial condition and results of operations.

21. *Our operations are subject to extensive Central and State regulations. Changes in the regulatory environment may cause us to incur additional costs or limit our business activities.*

As a producer of alcoholic beverage products, we are subject to production, packaging, quality, labelling and distribution standards and regulations in India. We are also subject to regulations in countries to which we export our products, in particular regulations relating to packaging, quality, labelling and distribution. The operations of our production and distribution facilities are subject to various Government excise, environmental laws and workplace regulations, including laws and regulations enacted by various ministries, including the Cable Television Networks (Regulation) Act, 1995, the Food Safety and Standards Act, 2006, the Food Safety and Standards (Alcoholic Beverages) Regulations, 2018, the Bureau of Indian Standards Act, 2016, Bombay Denatured Spirit (Gujarat Amendment) Rules, 1988, Bombay Prohibition (Manufacture of Spirit) (Gujarat) Rules, 1963, the Mizoram Liquor Total Prohibition Act, 1995, the Nagaland Liquor Total Prohibition Act, 1989, Manipur Liquor Prohibition Act, 1911 and various state excise laws. Further, the sale of alcohol is prohibited in certain States. The prohibition in any State in which we currently operate, or an increasing number of States prohibiting the consumption and sale of alcoholic beverages or any other restrictions on the manufacture or sale of alcoholic beverages, would have a material adverse effect on our business and financial prospects. For example, in December, 2016, the Supreme Court of India imposed a complete ban on the sale of alcohol products by outlets located on highways or within 500 meters from a highway. Subsequently, in August, 2017, the Supreme Court of India clarified that these restrictions were not applicable within municipal areas. For further information, see “*Key Regulations and Policies in India*” on page 206.

There are also inspections by various regulatory authorities like Excise Boards, Factory Inspectors, Boiler Inspectors, Legal Metrology and Pollution Control Board on a regular basis. The failure to pass these inspections, or any other violation of, current and future laws or regulations could require material expenditures by us or otherwise have a material adverse effect on our business, financial condition, results of operations and prospects.

22. *As on March 31, 2022, we have one satellite finished goods warehouse located in Ankur, Jharkhand, and as of March 31, 2022, our Subsidiary, Sarthak Blenders & Bottlers Private Limited (“Sarthak”), has*

10 satellite warehouses in the state of Uttarakhand, and any adverse development affecting such regions may have an adverse effect on our business, prospects, financial condition and results of operations.

Our warehouse is located in Ankur in the state of Jharkhand in India, while our Subsidiary, Sarthak, has 10 warehouses located in the state of Uttarakhand as of March 31, 2022. We may, in the future, purchase / operate / acquire more warehouses depending on the respective state government’s excise policy. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local governments in the regions where we operate or may in the future purchase / operate / acquire warehouses, could adversely affect operations at our warehouses. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts, or diseases heightened or particular to the region, may adversely impact the supply of products and local transportation.

Any such adverse development affecting continuing operations at our warehouses could result in significant loss from inability to meet inventory schedules and service sales orders appropriately, which could materially affect our business reputation within the industry. Should our supply of products be disrupted, we may not be able to procure an alternate source of supply of products in time to meet the demands of our customers, or we may not be able to procure products of equal quality or on equally competitive terms, or at all. Such disruption to supply would materially and adversely affect our business, market share, profitability and reputation.

23. Any delay or default in payments from our customers could result in the reduction of our profits.

We extend credit facilities to certain of our customers for our products. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables, and have faced previous instances of defaults in payment of such receivables. For Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, our trade receivables were ₹ 11,394.82 million, ₹ 9,347.45 million, ₹ 8,669.29 million and ₹ 10,100.62 million, respectively, with our trade receivable days being 42 days, 47 days, 52 days and 47 days in the same periods, respectively. Additionally, our top ten customers make up approximately 63.55% of our total receivables as of December 31, 2021. If our customers default in making these payments, our profit margins could be adversely affected. Further, we are also exposed to the risks associated with engaging with state beverage corporations including delayed payments.

The table below depicts the details of our provisions for doubtful debts and bad debts in Fiscal 2019, 2020, 2021 and the nine months ended December 31, 2021.

Particulars	Fiscal			Nine months ended December 31, 2021
	2019	2020	2021	
	(₹ million)			
Provision for doubtful debts	44.11	8.89	114.42	41.30
Bad debts and advances written off (Net of provision reversal ₹ 8.45 million, (March 31, 2021: ₹ 36.83 million, March 31, 2020: Nil, March 31, 2019: Nil)	-	41.13	5.00	91.60
Total	44.11	50.02	119.42	132.90

See also, “— Internal Risk Factors – 26. Our Statutory Auditors have included certain emphasis of matters in their examination report and have included certain observations in our Restated Consolidated Financial Statements as required under the Companies (Auditors Report) Order, 2016.” on page 51.

24. Changes in the social perception of alcohol beverage consumption or regulations related to alcohol could adversely affect our alcohol beverages business.

In recent years, there has been increased public and political attention directed at the alcohol beverage industry. This attention is a result of public concern over alcohol related problems, including drunk driving, underage drinking, peer pressure to consume alcohol and health consequences resulting from excessive consumption of alcohol beverages. Negative publicity regarding alcohol consumption, publication of studies that indicate a significant health risk from consumption of alcohol beverages, or changes in consumer perceptions in relation to alcohol beverages generally could also adversely affect the sale and consumption of our products and could harm our business, results of operations or financial condition as consumers and customers change their purchasing

patterns. For example, in recent times, globally there is an emerging consumption trend wherein end users are shifting towards non-alcoholic and low-alcohol drinks due to the impact of alcohol on health and in the event there is a shift in end users focus towards zero or low alcohol alternatives in India, this may impact our business, revenue and financial condition.

In recognition of our social responsibility as a manufacturer of alcohol beverages and in order to limit the potential negative health effects, we participate in industry groups and social responsibility initiatives and follow voluntary guidelines developed for responsible consumption of our products. If despite these initiatives, regulations are enacted that are more restrictive than those that we currently expect, we could incur additional costs to comply with such regulations and this could adversely affect our business and our results of operations and financial condition.

25. We have certain contingent liabilities that may adversely affect our financial condition.

As of December 31, 2021, contingent liabilities that have not been accounted for in our Restated Consolidated Financial Statements were as follows:

S. No.	Particulars	As at December 31, 2021
		(₹ million)
1.	Provident Fund matter	Not ascertainable
2.	Transport Pass Fees claimed by excise authorities	87.31
3.	Water Charges claim by MIDC, Aurangabad	17.40
4.	Additional license fees on account of restructuring of the company, levied by, the Maharashtra State Excise Department, Aurangabad	3.28
5.	Differential Octroi Duty on Extra Neutral Alcohol / Rectified Spirit by Aurangabad Municipal Corporation	15.80
6.	Demand notice from the Commissioner of Central Excise, Customs and Service Tax, Aurangabad, towards service tax on reverse charge basis on expenditure incurred in foreign currency on sales promotion, travelling and other expenditure	53.81
7.	VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties	324.89
8.	Income tax matters	35.04
9.	VAT Liability on captive consumption of ENA	10.76
10.	Excise demand relating to excess transit wastages for ENA supplied by Contract Bottling unit	28.60
11.	Show cause notice from Canteen Stores Department (CSD) on account of differential trade rate relating to the period from October 2014 to December 2020	85.77
12.	The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2015-2016. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties	60.27
13.	The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2016-2017. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties	58.26
14.	Rajasthan VAT department has demanded sales Tax along with interest and penalty from a contract bottling unit on ENA produced by them to be used as intermediary product for the manufacturer of IMFL	10.75
15.	Demand notice by the Government of Andhra Pradesh	272.50
16.	Interest liability on Micro, Small and Medium enterprise overdue	Not ascertainable
17.	VAT / GST on ENA procured by the company in Uttar Pradesh	14.29
18.	A contract bottling unit had been issued notice of demand under the Assam Entry Tax Act by the Government of Assam	13.12
19.	The Company was receiving taxable invoices from its CBUs at the rate of 18% on the bottling charges on manufacturing of IMFL for the Company (brand owner). However, based on the notification dated October 13, 2017, No .31/2017 - Central Tax (rate), the Company has asked its bottlers to charge GST on bottling charge at 5%	19.47
20.	Rectification order under MVAT	22.11
21.	Group has received summon notice dated 11 August 2020 from the Director General of GST Intelligence, Hyderabad on applicability of GST on Distillery Wet Grain Soluble (DWGS) and Distillery Dry Grain Soluble (DDGS).	Not ascertainable
TOTAL		1,133.43

For further information on our contingent liabilities, see “*Restated Consolidated Financial Information – Note 49 - Contingent liabilities and commitments*” on page 335.

26. Our Statutory Auditors have included certain emphasis of matters in their examination report and have included certain observations in our Restated Consolidated Financial Statements as required under the Companies (Auditors Report) Order, 2016.

Our Statutory Auditors have included certain emphasis of matters in their examination report:

Fiscal 2021

“Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (n) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to ₹ 340.30 million as at 31 March 2021, which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.”

Fiscal 2020

“Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (o) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to ₹ 340.30 million as at 31 March 2020, which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.”

Fiscal 2019

“Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to Note 46(p) of the accompanying consolidated financial statements which indicates that the Company is in the process of recovering dues receivable from a customer – Canteen Store Department, amounting to ₹366.14 million which have been withheld by the customer pursuant to a debit memorandum amounting to ₹366.14 million raised on the Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Company. Our opinion is not modified in respect of this matter.”

The opinion of our Statutory Auditors is not modified in respect of these matters. There can be no assurance that any similar emphasis of matters will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

Further, our Statutory Auditors have also included certain observations for Fiscal 2019, 2020 and 2021 in their reporting under the Company (Auditor’s Report) Order, 2016. These observations include statutory dues which have not been deposited and delays in repayment of loans. For further information, see “*Restated Consolidated Financial Information – Note 63 – Non-adjusting items*” on page 352.

27. We are dependent on third-party transportation providers for the supply of raw materials, packaging materials and delivery of our products.

As a manufacturer of alcoholic products, our success depends on the uninterrupted supply and transportation of the various raw materials required in the manufacture of our products and of our products from distillery and bottling facilities to our customers, or intermediate delivery points such as our warehouse, that are subject to various uncertainties and risks.

We transport our local raw ingredients, packing materials and our finished products mostly by road, sea and air. We rely on third party logistic companies and freight forwarders to deliver our raw ingredients, packaging materials and finished products. We enter into contractual relationships with such logistic companies which is open-ended, with a stipulated notice period with rate revisions typically depending on the escalation and de-escalation of fuel prices. Transportation strikes may therefore have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, our perishable raw ingredients, packaging materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw ingredients, packaging materials and products which may also affect our business and results of operation negatively. A failure to maintain a continuous supply of raw ingredients or packaging materials or to deliver our products to our customers in an cost efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

Any recompense received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. Further the shortage of containers to export products and import certain of our raw materials have increased our freight costs. We expect that the freight rates will continue to reach new highs and will remain above their pre-pandemic levels in the longer term. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

28. *Certain of our properties, including our Registered Office and one of our bottling facility are on leased and licensed basis. If we fail to renew these leases on competitive terms or if we are unable to manage our lease rental costs, our results of operations would be materially and adversely affected.*

As of March 31, 2022, we own 10 properties which primarily include our pan-India offices, our distillery and certain of our bottling facilities. With respect to our Registered Office at 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, in terms of the consent terms whereby the suit was settled by the Court of Small Causes at Bombay on October 5, 2005, Oriental Radios Private Limited, one of our Promoters, and all of its associate/group companies under the same management, including our Company, have been permitted to, amongst other things, register the address of the suit premises, i.e., 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, with the Registrar of Companies as the registered address of these companies. Accordingly, we have registered the address 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, with the RoC as the registered address of: (i) our Company; (ii) certain of our Subsidiaries, namely, NV Distilleries & Breweries (AP) Private Limited, Sarthak Blenders & Bottlers Private Limited, ABD Dwellings Private Limited and Madanlal Estates Private Limited; (iii) certain of our Promoters, namely, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited and Officer's Choice Spirits Private Limited; (iv) certain of our Group Companies, namely, Tracstar Investments Private Limited, Starvoice Properties Private Limited, Power Brands Enterprises India Private Limited, Pitambari Properties Private Limited, Lalita Properties Private Limited, Bhuneshwari Properties Private Limited, Ashoka Liquors Private Limited, Tracstar Distilleries Private Limited and Woodpecker Investments Private Limited. For details, see "Our Subsidiaries", "Our Promoters and Promoter Group" and "Our Group Companies" on pages 226, 257 and 266 respectively.

We own our Corporate Office located at Ashford Centre, 1st, 2nd, 3rd, 4th and 7th floor, Shankar Rao Naram Marg, Opposite Peninsula Corporate Park Main Gate, Lower Parel West, Mumbai - 400 013. Most of our regional offices are held by us on a leased basis. Typically, the term of our leases ranges from 24 months to 99 years for our office space and our bottling facility located at Aurangabad, Maharashtra which are subject to lock-in for a certain duration over the respective term of such lease.

29. *Our distillery and bottling units are dependent on adequate and uninterrupted supply of electricity, water and fuel. Any shortage or disruption in electricity, water, or fuel supply may lead to disruption in operations, higher operating cost and consequent decline in our operating margins.*

Our distillery and bottling facilities require a significant amount and continuous supply of electricity and water and any shortage or non-availability of electricity and water may adversely affect our operations. The production process of our products, as well as the storage of products at particular temperatures requires significant electricity. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, the power and fuel costs were ₹ 340.32 million, ₹ 353.93 million, ₹ 263.67 million and ₹ 400.23 million, for each respective period which accounted for 1.11%, 1.18%, 1.12% and 2.06% of our total Net Revenue from Operations, respectively. While we source most of our electricity requirements from local utilities and our own diesel generator sets, we also require

significant supply of coal for our boilers. Inadequate electricity, diesel for our generators or coal supply for our boilers could result in interruption or suspension of our production operations. In particular, any significant increase in cost of diesel/fuel could result in unanticipated increase in production cost. Certain perishable raw ingredients are also required to be stored at specific temperatures requiring uninterrupted supply of electricity. Further, we currently source our water from state and municipal corporations and local body water supply and there can be no assurance that such supply will not be adversely impacted in the future. Any failure on our part to obtain alternate sources of electricity, fuel, coal or water, in a timely manner, and at an acceptable cost, may cause a slowdown or interruption to our production process and have an adverse effect on our business, financial condition and results of operations.

30. *Scarcity of water or non-availability of quality water could negatively impact our costs and production capacity.*

Water is one of the primary raw materials used in the production of all our products, and our business operations are vastly dependent on our ability to procure sufficient amounts of quality water at commercially viable prices. Supply of water is an indispensable requirement for our manufacturing process as we require water to mix the base concentrates of our products. Moreover, it is also vital to the production of the agricultural ingredients on which our business relies. Water is a limited resource, facing unprecedented challenges from overexploitation, increasing demand for food and other consumer and industrial products whose manufacturing processes require water, increasing pollution and poor management. Further, supply of water can also be significantly influenced by changing environmental conditions leading to drying water resources and receding ground water levels. Water scarcity and deterioration in the quality of available water sources in our territories, or our supply chain, even if temporary, may result in increased production costs or capacity constraints, which could adversely affect our ability to produce, sell and distribute our products and increase our costs.

31. *The alcohol beverage industry in India is politically and socially sensitive and any adverse decisions on prohibition may adversely impact the operations and financials of our Company.*

The alcohol beverage industry in India is politically and socially sensitive and is dependent on political ideologies, governmental policies and socio-cultural practices across the country. In the past, prohibition and restrictions have played a critical role on the survival and profitability of many distillery companies in the alcohol beverage industry. As on the date of this Draft Red Herring Prospectus, production, distribution, storage, possession, sale and consumption of alcohol is prohibited in four States, namely, Gujarat, Bihar, Mizoram and Nagaland, and one union territory, Lakshadweep. While there can be and have been lost revenues due to prohibition, the clamping of the dry order can threaten the status of the incumbent. Prohibition and restriction can come in various degrees, from restrictions with regards to sale, possession, consumption, production to sale of alcohol including restriction imposed on the age of consumers, in turn, will adversely impact the industry. For example, prior to prohibition on sale and consumption of alcohol in Bihar from April 2016, *i.e.*, Fiscal 2017, we had sold over 1.23 million cases of our products in Bihar. Any such decision to prohibit by state governments in the future, if any, can have a material adverse effect on our business, results of operations, financial condition, cash flows, reputation and prospects.

32. *We may not be able to derive the desired benefits from our research and development efforts.*

We currently operate under multiple brands wherein we sell a variety of IMFL products in various volumes, and other products. Our competitiveness is dependent on our ability to develop new products and improve the efficiency of our production capabilities. We place significant emphasis on research and development, in particular, to improve the quality of our products and expand our new product offerings, which we believe are factors crucial for our future growth and prospects. We have a centralized and autonomous research and development facility located at Aurangabad, Maharashtra. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we spent ₹ 12.97 million, ₹ 12.73 million, ₹ 11.75 million and ₹ 9.45 million on research and development representing 0.01%, 0.02%, 0.02% and 0.02% of our total revenue from operations respectively, in such periods. In the past seven years, we have developed and launched seven products in the market and have also focussed on research and development efforts to improve and optimise the various processes and bring efficiency in packaging of our products. However, considering our experience in operating in the market in which we operate, we cannot assure you that we will be able to grow our market share in the market, or that our alcoholic products will be commercialized in accordance with customer preferences.

Further, there can be no assurance that that our future research and development projects will be successful or be completed within the anticipated time frame or budget, or that our newly developed products will achieve commercial success. Even if such products can be successfully commercialised, there is no guarantee that they

will be accepted widely by the market. In addition, we cannot assure you that our existing or potential competitors will not develop products which are similar or superior to our products. It is often difficult to project the time frame for developing new products and the duration of market demand for these products and there is substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the research and development of such product.

33. *The loss of certain certification and accreditation of our production practices that we have adopted could harm our business.*

We rely on certification of our facilities and must comply with the requirements of independent organizations or certification authorities. Our registered and corporate office, as well as our facilities at Aurangabad, Maharashtra; Ambala, Haryana; Kalyani, West Bengal; and Hyderabad, Telangana and our bottling facility at Rangapur, Telangana have been awarded ISO 22000:2018 certification, for food safety management system. We could lose the certifications and accreditations for these systems if we are not able to adhere to the quality standards and specifications required under such certifications and accreditations. The loss of any independent certification and production practices may lead to the loss of significant customers for our products, which could have a material adverse effect on our reputation, business, financial condition and results of operations. For further information, see “*Our Business - Health, Safety and Certifications*” on page 201.

34. *Failure to obtain or renew approvals, licenses, registrations and permits to operate our business in a timely manner, or at all, may adversely affect our business, financial condition, cash flows and results of operations.*

We are required to obtain and maintain certain approvals, registrations, permissions and licenses from regulatory authorities, to carry out/ undertake our operations. These approvals, licenses, registrations and permissions may be subject to numerous conditions. If we fail to obtain and maintain some or all of these approvals or licenses, or renewals thereof, in a timely manner or at all, or if we fail to comply with applicable conditions or it is claimed that we have breached any such conditions, our license or permission for carrying on a particular activity may be suspended or cancelled and we may not be able to carry on such activity, which could adversely affect our business, results of operations, cash flows and financial condition. For example, we are required to obtain an excise registration certificate, which is material for our operations, under each state and union territory where we have our presence in terms of sales. Typically, these excise licenses are required to be renewed each year. In the event, we are unable to renew our excise license or renewal application is rejected by the relevant governmental authorities, our business and cash flows will be adversely impacted. As on the date of this Draft Red Herring Prospectus, none of our excise license registrations have been rejected by any governmental authority.

Further, some of our approvals may have expired in the ordinary course of business, for which we have made applications with the relevant authorities which are pending as of the date of this Draft Red Herring Prospectus. These include applications made for licences to produce and sell our alcoholic products; bottling licenses and distilling licenses. For further information on the nature of approvals and licenses required for our business, see “*Government and Other Approvals*” on page 418. In addition, we have, and may need to in the future, apply for certain additional approvals, including the renewal of approvals, which may expire from time to time.

There is no assurance that such approvals and licenses will be granted or renewed in a timely manner or at all by the relevant governmental or regulatory authorities. Failure to obtain or renew such approvals and licenses in a timely manner would make our operations non-compliant with applicable laws and may result in imposition of penalties by relevant authorities, and may also prevent us from carrying out our business. Our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards. Any actual or alleged failure on our part to comply with the terms and conditions of such regulatory licenses and registrations could expose us to legal action, compliance costs or liabilities, or could affect our ability to continue to operate at the locations or in the manner in which we have been operating thus far.

35. *Our Company, Subsidiaries, Directors, and Promoters are or may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.*

There are outstanding legal and regulatory proceedings involving our Company, Subsidiaries, Directors, and Promoters which are pending at different levels of adjudication before various courts, tribunals and other authorities. Such proceedings could divert the management’s time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent that such amounts are ascertainable and quantifiable and include amounts claimed jointly and severally, as applicable.

Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. The summary of such outstanding material legal and regulatory proceedings as on the date of this Draft Red Herring Prospectus is set out below:

Name of entity	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million)
Company						
By the Company	43	Nil	Nil	NA	7	463.02
Against the Company	1	26	3		Nil	1,114.67
Directors						
By our Directors	Nil	Nil	Nil	NA	Nil	-
Against the Directors	Nil	Nil	2		Nil	0.8
Promoters						
By Promoters	Nil	Nil	Nil	Nil	Nil	-
Against Promoters	Nil	Nil	1		Nil	0.8
Subsidiaries						
By Subsidiaries	3	Nil	Nil	NA	1	48.05
Against Subsidiaries	Nil	1	Nil		Nil	0.28
Group Companies						
Litigations having a material adverse impact on the Company	Nil	Nil	Nil	NA	Nil	-

We cannot assure you that any of these on-going matters will be settled in favour of our Company, Subsidiaries Promoters, or Directors, respectively, or that no additional liability will arise out of these proceedings. For example, SEBI has in the past taken action against one of our promoters, Mr. Kishore Chhabria for non-compliance with listing agreement and applicable Takeover Regulations and the matter was eventually settled by way of Supreme Court order dated March 7, 2005. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Subsidiaries, Directors and Group Companies in the future. An adverse outcome in any such proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation. For further information, see “*Outstanding Litigation and Material Developments*” on page 410.

36. We may not successfully protect our technical know-how, which may result in the loss of our competitive advantage.

We have developed a range of technical know-how relating to the production process of our products. This knowledge base has enhanced our ability to manage our production costs and improve our product quality to compete more effectively in the industry in which we operate. Our technical know-how has been derived from the past experience of our key employees and management team as well as our research and development efforts. Certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the production process. A significant number of our employees have access to confidential product information and packaging, amongst others, and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Certain blending information in relation to our products is limited to select employees. Further, in our third party contract bottling units, the core blending of

the product process is directly done by our employees. While we have not experienced any instances of material breaches of our technical know-how in the past, we cannot assure you that such instance will not happen in the future. Further, if the technical know-how in respect of our products or business becomes available to third parties or to the public, any competitive advantage we may have over our competitors could be harmed. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have a material adverse effect on our business, results of operations, financial condition, cash flows and/or prospects.

37. *Seasonal fluctuations in consumer demand could adversely affect our business, financial condition, results of operations and prospects.*

Seasonal consumption cycles and changes in weather conditions can affect our results of operations. Major holidays and festivals generally increase the demand for our products in India. Consumption of our products is particularly strong from October to March. Weaker consumer demand for our products as a result of these or other factors could adversely affect our business, financial condition, results of operations and prospects. Further, the distribution structure is prone to sudden policy or regulatory changes by the various state governments, resulting in stock-out of our products in the market thereby resulting in loss of sales.

Any of these factors could have a material adverse impact on our financial condition and results of operations. We may also be required to invest in updated technology, human resources and processes to develop products having the desired qualities and characteristics, and continually monitor and adapt to evolving market demand.

38. *Our growth prospects may be harmed if we are unable to expand into the higher-priced segments of the alcoholic beverages market.*

A key element of our strategy is to broaden our portfolio of brands by launching new brands to penetrate the higher-priced segments of the market in order to increase our revenues. We believe that the higher-priced market segments in India for both whisky offer significant growth potential and that there has been a shift of consumer behaviour from mass premium segment whisky to these segments. Expanding our presence into these highly competitive segments will require us to invest significantly in consumer marketing, brand promotion and sales and distribution development. While we have launched spirits in the higher-priced market segments than our current portfolio of products, the market share of such products is limited and they continue to be fairly nascent in their development. We also face substantial competition in these segments from international producers who may have more resources than we do. Any failure or inability on our part to successfully develop, promote and sell new brands for the higher-priced market segments than our current portfolio of its products in India may affect our prospects for growth, particularly if demand for these products increases and continues to erode the demand for our current portfolio of products, and could adversely affect its business, financial condition, results of operations and prospects.

39. *A portion of the Net Proceeds may be utilized for repayment or pre-payment of a loan availed by our Company from Axis Bank Limited, which is an affiliate of Axis Capital Limited, one of the BRLMs.*

We propose to repay or pre-pay a loan availed by our Company from Axis Bank Limited from the Net Proceeds. Axis Bank Limited is an affiliate of Axis Capital Limited, one of our Book Running Lead Managers and is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. The loan sanctioned to our Company by Axis Bank Limited was done as part of their lending activities in the ordinary course of business and we do not believe that there is any conflict of interest under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, or any other applicable SEBI rules or regulations. The Board of Directors of our Company has chosen the loan and facilities to be repaid/prepaid based on commercial considerations. For further information, see “*Objects of the Offer*” on page 115. However, there can be no assurance that the repayment/prepayment of such loans from the Net Proceeds to an affiliate of one of the Book Running Lead Managers will not be perceived as a current or potential conflict of interest.

40. *We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.*

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. For further information, see “*Summary of the Offer Document - Summary of related party transactions*” and “*Restated Consolidated Financial Information - Related party disclosure – Note 47*” on

pages 19 and 324 respectively. These transactions among others include royalty expenses, procurement of materials, promotional materials and services, rent expenses, unsecured loan / advances granted, investment / divestment in compulsorily convertible debentures, investment by and redemption of preference shares, refund of customer advance, sale of investment, availing unsecured borrowing, repayment of unsecured borrowing and managerial remuneration. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions. All related party transactions that we may enter into post-listing, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, the aggregate amount of such related party transactions was ₹ 4,067.15 million, ₹ 3,796.15 million, ₹ 1,898.63 million and ₹ 4,474.84 million respectively. The percentage of the aggregate value of such related party transactions to our total revenue from operations in Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021 was 4.55%, 4.68%, 2.98% and 8.22%, respectively.

41. *Our inability to handle risks associated with our export sales could negatively affect our sales to customers in foreign countries.*

A portion of our revenue is generated from the export of our products to 22 countries as of December 31, 2021. In Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, our revenue from operations from exports were ₹ 1,168.08 million, ₹ 661.46 million, ₹ 1,335.53 million and ₹ 1,132.44 million, respectively, and accounted for 3.81%, 2.21%, 5.69% and 5.82%, respectively, of our total Net Revenue from Operations. For further information, see "Our Business - Exports" on page 200.

Our exports are subject to, among other risks and uncertainties, the following:

- demand for our products by our customers located outside India;
- social, economic, political, geopolitical conditions and adverse weather conditions, such as prohibition, natural disasters, epidemic, civil disturbance, terrorist attacks, war or other military action would affect our business and operations. For example, such a disruption may prevent us from production or delivery of our products to our customers;
- compliance with local laws, including legal constraints on ownership and corporate structure, environmental, health, safety, labour and accounting laws, may impose onerous. If we are unable to comply with such laws, our business, results of operations and financial condition could be adversely affected;
- changes in foreign laws, regulations and policies, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues and changes in foreign trade and investment policies, may affect our ability to both operate and the way in which we manage our business in the countries in which we operate; and
- fluctuations in foreign currency exchange rates against the Indian Rupee, may affect our results of operations, the value of our foreign assets, such as export receivables and various investments, the relative prices at which we and our competitors sell products in the same markets and the cost of certain inventory and non-inventory items required for our operations. For instance, fluctuation of the Euro and US Dollar would have an impact on the export revenues and profits of our operations.

42. *Our Company has unsecured loans that may be recalled by the lenders at any time and our Company may not have adequate funds to make timely payments or at all.*

Our Company has availed unsecured loans from IDFC Bank which may be recalled by it at any time. As of December 31, 2021, such loans availed by our Company amounted to ₹ 129.93 million. Further, our Subsidiaries, Madanlal Estates Private Limited, and ABD Dwellings Private Limited have availed unsecured loans amounting to ₹ 0.66 million from related parties and NV Distilleries & Breweries has also availed certain unsecured loans from a third party body corporate, amounting to ₹ 37.99 million. Such loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the lender at any time. In the event that the lender seeks repayment of any such unsecured loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

43. We may undertake acquisitions, investments, joint ventures or other strategic alliances, which may have a material adverse effect on our ability to manage our business, and such undertakings may be unsuccessful.

Our strategy includes plans to expand both organically and through strategic acquisitions of regional and/or international brands, bottling or distilling facilities. These acquisitions may expose us to new operational, regulatory, market and geographic risks as well as risks associated with additional capital requirements as well as other considerable risks, including:

- our inability to integrate new operations, personnel, products, services and technologies;
- unforeseen or hidden liabilities, including exposure to lawsuits associated with newly acquired companies;
- the diversion of resources from our existing businesses;
- failure to comply with laws and regulations as well as industry or technical standards of the overseas markets into which we expand;
- our inability to generate sufficient revenues to offset the costs and expenses of such acquisitions or strategic investment; and
- potential loss of, or harm to employees or customer relationships.

Any of these events could disrupt our ability to manage our business, which in turn could have a material adverse effect on our financial condition and results of operations. Such risks could also result in our failure to derive the intended benefits of the acquisitions, and we may be unable to recover our investment in such initiatives.

44. Any reduction or elimination of import duty imposed on international spirits in the future may lead to reduction in demand for our products leading to loss of sales, and adversely affect our business, prospects, results of operations and financial condition.

The Indian western spirits market includes IMFL and a small, imported spirits market which includes bottled in origin (in both blended as well as single malt) whisky and bottled in India. Currently, any import of alcoholic beverages including whisky is liable to pay customs tariff of 150%. This is applicable on finished products like scotch whisky bottled in country of origin or bulk scotch whisky imported for bottling in India as well as intermediate products like undenatured ethyl alcohol which may be used for blending with production in India. (Source: Technopak Report)

The GoI has entered into and continues to negotiate free-trade agreements with countries like Australia and the UK, which propose to reduce or have substantially reduced import duties on international spirits and intermediate products for bottling of spirits in India. As we import bulk scotch whisky for blending and bottling in India, a decrease in or elimination of import rates for the same and intermediate products will help us and other industry players to reduce cost of production and subsequently help us reduce cost of our products. These free trade agreements also propose to provide Indian exports concessional duty access, thus permitting liberalized international trade in spirits manufactured in India.

However, we also compete with the international brands in the imported spirits market that are subject to various import duties and custom tariffs as imposed by the GoI. A decrease in or elimination of import rate may not only cause new multinational companies to compete against us but also provide an opportunity to bring more competitive product offering by the incumbent multinational competitors enabling them to reduce the price of their products, which may have higher appeal to the consumers and cause a negative effect on the demand of our products, which could adversely affect our business, financial condition and results of operations.

45. Our business is manpower intensive. Our business may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages across various states, and if we are unable to engage new employees at commercially attractive terms.

Our operations are manpower intensive and we are dependent on our production staff for a significant portion of our operations. As of March 31, 2022, we had 3,548 staff, including contract workers. The success of our operations depends on availability of and maintaining good relationships with our workforce. Shortage of skilled personnel or disruptions caused by disagreements with employees could have an adverse effect on our business and results of operations. Certain of our employees are unionized. Hence, it may become difficult for us to maintain flexible labour policies, which may increase our costs and adversely affect our business. We believe our employees and personnel are critical to maintain our competitive position. While we have never experienced any major disruptions in our business operations due to disputes or other problems with our work force in the

past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

Our success also depends on our ability to attract, hire, train and retain skilled production personnel. Our inability to recruit, train and retain suitably qualified and skilled personnel could adversely impact our reputation, business prospects and results of operations. As we expand our business network, we will need experienced manpower that has knowledge of the local market, or technical knowledge to operate machinery such that our operations can be perpetuated. We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the food and beverage industry, in particular the alcohol and spirits sector in India. The attrition rate for our employees (calculated as overall exits including retired employees divided by average headcount) for Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021 was 23.15%, 21.49%, 16.93% and 17.97%, respectively. However, we cannot assure you that attrition rates for our employees, particularly our production personnel, will not increase.

A significant increase in our employee attrition rate could also result in decreased operational efficiencies and productivity, loss of market knowledge and customer relationships, and an increase in recruitment and training costs, thereby materially and adversely affecting our business, results of operations and financial condition. We cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our machinery in our existing distillery and bottling facilities or new facilities that we are proposing to be commissioned. In the event that we are unable to hire people with the necessary knowledge or expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected.

While we consider our current labour relations to be good, and we have measures in place aimed at maintaining balanced employee relations, there can be no assurance that we will not experience future disruptions in our operations due to disputes, strikes, work stoppages, work slow-downs or lockouts at our distillery and bottling facilities. During periods of shortages in labour, we may not be able to manufacture our products according to our previously determined time frames, at our previously estimated product costs, or at all, which may adversely affect our business, results of operations, cash flows and reputation. Moreover, we are subject to stringent labour laws, and any violation of these laws may lead regulators or other authorities to order a suspension of certain or all of our operations. Any of the foregoing may adversely affect our business and results of operations.

We may also be subject to increasing manpower costs in India, which would directly impact our employee costs and consequently, on our margins. Further, the minimum wage laws in India may be amended leading to upward revisions in the minimum wages payable in one or more states in which we currently operate or are planning to expand to. We may need to increase compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our employee costs coupled with operating expenses will not significantly increase.

Additionally, the GoI has recently introduced (a) the Code on Wages, 2019 ("**Wages Code**"); (b) the Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, we are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as 'gig workers' and 'platform workers' and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits, old age protection, under schemes framed under the Social Security Code from time to time. Further, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. All the four codes are applicable to our Company, as the various labour legislations currently applicable are part of the Codes. The implementation of such laws have the ability to increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

46. We appoint contract labour for carrying out certain of our ancillary operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such

workers are hired default on their payment obligations, and such obligations could have an adverse effect on our results of operations, cash flows and financial condition.

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labourers for performing certain of our ancillary operations, including, assisting in loading and unloading, material handling, operators, maintenance and repairs, unskilled work, housekeeping and security activities. As of March 31, 2022, we had 2,611 contract labourers, who are not on our payrolls. The number of contract labourers vary from time to time based on the nature and extent of work contracted to independent contractors. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. All contract labourers engaged at our facilities are assured minimum wages that are fixed by the state governments from time to time. Any upward revision of wages that may be required by the state government to be paid to such contract labourers, or offer of permanent employment or the unavailability of the required number of contract labourers, may adversely affect the business and future results of our operations.

47. Any withdrawal, or termination of, or unavailability of direct/ in-direct tax benefits and exemptions being currently availed by us may have an adverse effect on our business, results of operations, financial condition and cash flows.

We are currently entitled to certain direct/ in-direct tax benefits and incentives. The Remission of Duties and Taxes on Exported Products (“**RoDTEP**”) scheme has replaced the Merchandise Export from India Scheme. Under the RoDTEP scheme, rebate of these taxes will be given in the form of duty credit/electronic scrip. The rate of duty of remission for our products under RoDTEP scheme has been notified by the Government of India and ranges from 0.5% to 4.3%. In addition, we are also entitled to benefits of the Duty Drawback Scheme under the Customs Act, 1962 pursuant to which we can claim duty drawback on export of goods, where the imported materials are used in the manufacture of products. We are also entitled to certain benefits under the Central and State GST legislations. For further information, see “*Statement of Possible Special Tax Benefits*” on page 128. Any withdrawal, termination or delay in such benefits may translate into reduce our cash flows thereby adversely affecting our financial results, results of operations and profitability. Furthermore, if we are unable to avail these tax benefits in the future, it may result in increased tax liabilities and reduced liquidity and have an adverse effect on our results of operations.

48. We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.

Our ability to compete in the highly competitive IMFL industry depends upon our ability to attract, motivate, and retain qualified personnel. We are dependent on the continued contribution of our senior management and Key Managerial Personnel for the continued running of our day-to-day business operations, as well as the overall strategic business development of our Company. We have in the past and may in the future, in order to attract senior level talent, offer incentives which may include compensating them for loss of long-term incentive plans which they were assured of in their previous employment, legal cost of any litigation in which they may be involved during their previous employment and consequences thereof. We cannot assure you that we will not offer such incentives in future to acquire required talent. For further details, please reference to section “*Our Management*” on page 231. Further, our Company is also considering a cost rationalization measure as a result of which certain business-related expenses in relation to various employees and consultants associated with our Chairman’s office will be rationalized. This may result in a reduction in availability of our pool of consultants. For further details, please see “*Our Business*” on page 178. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the growth and development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all.

We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, our results of operations and our cash flows. For further information, see “*Our Management*” and on page 231.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel. Competition for qualified personnel with relevant industry expertise in India is intense. A loss of the services of our key personnel may adversely affect our business, results of operations, cash flows and financial condition.

49. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.*

We intend to use the Net Proceeds for the purposes described in “*Objects of the Offer*” on page 115 of this Draft Red Herring Prospectus. As on the date of this Draft Red Herring Prospectus, our funding requirements are based on management estimates in view of past expenditures, and have not been appraised by any bank or financial institution. Our funding requirements and proposed deployment of the Net Proceeds are based on current conditions and are subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. While we will use the Net Proceeds for (i) prepayment or scheduled repayment of a portion of certain outstanding borrowings availed by our Company ;and (ii) general corporate purposes in the manner specified in “*Objects of the Offer*” on page 115, the amount of Net Proceeds to be actually used will be based on our management’s discretion based on the factors mentioned in the “*Objects of the Offer*” on page 115. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

50. *Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.*

We propose to utilize the Net Proceeds for the purposes described in “*Objects of the Offer*” on page 115 of this Draft Red Herring Prospectus. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, and SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders’ approval may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

51. *We may be affected by competition laws, the adverse application or interpretation of which could adversely affect our business including allegations of cartelization.*

The Competition Act, 2002, of India, as amended (“**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India (“**AAEC**”). Under the Competition Act, any formal or informal arrangement, understanding, or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise in the relevant point. Further, there can be allegations of cartelization against IMFL manufacturers including us by the CCI as in the past CCI has imposed penalties on certain companies producing beer on charges of cartelization of beer sales. In the event there are any proceedings against our Company on charges of cartelization, our business and brand name may get adversely impacted.

On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the “CCI”). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered by us cannot be predicted with certainty at this stage. Since we pursue an acquisition driven growth strategy, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows, and prospects.

52. *Any inability to accurately manage inventory and forecast demand for particular products in specific markets may have an adverse effect on our business, results of operations and financial condition.*

Demand for our products is forecasted through data analysis, buyer and distributor feedback, sales personnel feedback and our understanding of anticipated consumer spending, festive seasons and inventory levels with our distribution network. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may produce fewer quantities of products than required, which could result in the loss of business. While we forecast the demand for our products and accordingly plan our production volumes, any changes in estimates could result in surplus stock, which may not be sold in a timely manner.

In Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, our provisions for inventory were ₹ 7.07 million, ₹ 20.74 million, ₹ 14.07 million and ₹ 18.75 million, respectively, representing 0.02%, 0.07%, 0.06% and 0.10%, respectively, of our Net Revenue from Operations in such periods. While we prominently display the display the dangers, risk and health hazards related to consuming our brands in compliance with applicable laws, we cannot assure you that we will not face claims for damages or litigation, if our products are consumed. Any or all of these factors could adversely affect our reputation, and consequently our business, prospects and financial performance.

53. *Our inability to adopt new technologies to adhere to our quality product standards could adversely affect our business, results of operations and financial condition.*

Currently, all of our machinery in our owned distillery and bottling facilities are equipped with semi and fully automated production equipment and processes, which supports our production processes, innovation and product development. However, we cannot assure you that in the future, we will be able to successfully make timely and cost-effective enhancements, additions or replacements to our current technological infrastructures. Our industry is subject to significant technological changes with constant introduction of new and enhanced processes, machineries and technologies. Our failure to successfully adapt and implement such technological changes, may increase our costs, which may adversely affect our business, results of operations and financial condition.

54. *Our inability to effectively manage our growth or implement our growth strategies may have a material adverse effect on our business prospects and future financial performance.*

As a result of significant expansion, our business and organization have become, and are expected to continue to become, considerably more complex, requiring us to adapt continuously to meet the needs of our growing business and could expose us to a number of factors which may negatively impact our business, financial condition and results of operations.

While we have built information technology, governance frameworks and operational management systems to manage our business operations and to support our future growth at the distillery and bottling facilities and corporate level, in the future in particular, our success will depend on our ability to adapt continuously to meet the needs of our growing business, in particular, to:

- maintain and develop a consistent and strong brand identity and further develop our brand strength across a growing organization and increasing number of markets, especially in light of our expansion and new products;
- ensure safe movement and storage of inventory;
- our ability to enter into third-party bottling agreements;
- source, at appropriate prices, the amount of raw ingredients required for increased operations;
- attract and retain experienced, high quality management and other key employees;
- identify potential new markets and suitable locations for our distillery and bottling facilities as well as obtaining leases for our new facilities on commercially attractive terms;
- efficiently manage international operations, including by acquiring expertise of specific international markets where we expand with respect to customer preferences and regulatory concerns;
- respond to increasing competition from competitors in the existing markets we cover as well as new markets we may enter in the future; and
- respond in a timely manner to new taste trends, regional preferences in spirits and changing customer demands.

We may not be able to adequately respond to any of the foregoing factors or otherwise manage our significant growth which could negatively impact our business, financial condition and results of operations.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategies, *inter-alia*, include increasing market share of *Office's Choice Whisky* across regions, introduce new products within the premium, semi-premium and deluxe segments in order to increase our presence, increase our operating efficiencies, evaluate growth opportunities through selective acquisitions and enhance our brand awareness. For further information, see "*Our Business – Strategies*" on page 186.

Our business growth could also be a strain on our resources. Our ability to manage our future growth will depend on our ability to continue to implement and improve operational, financial and management systems on a timely basis and to expand, train, motivate and manage our personnel. There can be no assurance that our personnel, systems, procedures and controls will be adequate to support our future growth. Failure to effectively manage our expansion may lead to increased costs and reduced profitability and may adversely affect our growth prospects. Our inability to manage our business and implement our growth strategy could have a material adverse effect on our business, financial condition and profitability.

55. *Technology failures could disrupt our operations and adversely affect our business operations and financial performance.*

IT systems are critical to our ability to manage our production process, inventory management, buyer and distributor management, financial management, data handling, and supply chain management and in turn, to maximize efficiencies and optimize costs. Our IT systems enable us to coordinate our operations, from automated production to logistics and transport, invoicing, customer relationship management and decision support. For details, see "*Our Business – Information Technology*" on page 203.

If we do not allocate and effectively manage the resources necessary to implement and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies and, in some instances, loss of customers. Challenges relating to the revamping or implementation of new IT structures can also subject us to certain errors, inefficiencies, disruptions and, in some instances, loss of customers. Our IT systems, and the systems of our third party IT service providers may also be vulnerable to a variety of interruptions due to events beyond our control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Although we have security initiatives and disaster recovery plans in place to mitigate its risk to these vulnerabilities, such measures may not have been effectively implemented or may not be adequate to ensure that its operations are not disrupted.

56. *Our facilities could be affected by operating hazards and natural disasters.*

Our alcohol and spirits operations are subject to operating and other risks typically associated with alcoholic beverage production, and our alcohol operations are subject to operating and other risks typically associated with the production, storage and transportation of highly flammable products and other materials. Incidents of fires, mechanical failures, storage tank leaks, discharge or release of hazardous substances and other environmental risks, and inclement weather and natural disasters could adversely affect our productivity, profitability and operations as a whole. For example, in August 2020, an accident happened in our boiler room which resulted in causality of one DCS operator and serious injuries to three technicians. Any disruption in the operation of our

existing production facilities due to any of the foregoing risks could adversely affect our business, financial condition, results of operation and prospects. In addition, many of these operating and other risks may cause personal injury and loss of life, severe damage to or destruction of property and equipment, and environmental damage, and may result in suspension of our operations and the imposition of civil or criminal penalties.

Losses incurred or payments required to be made by us as a result of these or other factors may exceed our insurance coverage or not be covered by our insurance, which could adversely affect our business, financial condition, results of operations and prospects.

57. *We have not included historical licensed capacity and capacity utilization of our exclusive bottling facilities for Fiscal 2019, 2020 and 2021 and our non-exclusive bottling facilities for Fiscal 2019, 2020 and 2021 and for the nine months period ended December 31, 2021.*

In this Draft Red Herring Prospectus, we have presented licensed capacity and corresponding capacity utilization information for only (i) all bottling facilities owned and operated by us in Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021; and (ii) six third party bottling facilities for which we have entered into exclusive bottling arrangements with respect to the nine months period ended December 31, 2021. In Fiscal 2019, 2020 and 2021, we had entered into exclusive bottling arrangements with various third party bottling facilities which arrangements were not renewed in subsequent fiscal years. We are therefore unable to present the licensed capacity, and capacity utilization information with respect to such third party bottling facilities with which we had entered into exclusive bottling arrangements in Fiscal 2019, 2020 and 2021. In addition, depending on our business requirements, we enter into non-exclusive bottling arrangements with various third party bottling facilities which arrangements may be short term in nature and may not be renewed in subsequent fiscal years. Under such non-exclusive arrangements, we do not have access to exclusive use of the licensed capacity of the facility and other producers may also use such bottling facilities for bottling of their products. We are therefore unable to present information relating to the licensed capacity of and capacity utilization achieved at these non-exclusive facilities. In addition, actual production levels and utilization rates may differ significantly from the licensed capacity or the historical capacity utilization information of our owned and operated bottling facilities and third party exclusive bottling facilities due to various reasons including availability of raw materials, downtime resulting from scheduled maintained activities, unscheduled breakdowns as well as expected operational efficiencies. Investors are cautioned against placing undue reliance on our licensed capacity or historical capacity utilization information included in this Draft Red Herring Prospectus. For further information, see “*Our Business – Business Operations – Capacity and Capacity Utilisation*” on page 194.

58. *We may be subject to fraud, theft, employee negligence or similar incidents.*

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking or delivery. Our industry typically encounters some inventory loss on account of employee theft, shoplifting, vendor fraud and general administrative error. We maintain large amounts of inventory at all our distillery and bottling facilities at all times and had a total inventory of ₹ 4,496.81 million, as of December 31, 2021. Although we have set up various security measures, we have in the past experienced such incidents, including certain minor instances of theft. For details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Outstanding Criminal Litigation involving our Company – Outstanding criminal litigation by our Company*” on page 411. There can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurers the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have an adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

59. *Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.*

Our insurance policies currently cover our production machinery and equipment, motor vehicles, land and buildings, raw ingredients, and finished products. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our

operations, or expose us to third-party liabilities, for which we may not be adequately insured. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, financial condition and results of operations could be adversely affected.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our distillery or bottling facilities, corporate offices or in the regions/areas where our facilities or corporate offices are located. We may face losses in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. As of March 31, 2019, 2020 and 2021 and in the nine months ended December 31, 2021, the aggregate coverage of the insurance policies obtained by us was ₹ 4,552.06 million, ₹ 5,923.31 million, ₹ 8,190.57 million and ₹ 8,562.62 million, which constituted 66.19%, 83.36%, 110.63% and 102.86% of our fixed assets, respectively.

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain losses which may not be covered by the Company, which we have not ascertained as on the date. Therefore, we cannot assure you that we will continue to accurately ascertain and maintain adequate insurance policies for losses that may be incurred in the future. For further information on the insurance policies availed by us, see “*Our Business - Insurance*” on page 204.

60. *Failures in internal control systems could cause operational errors which may have an adverse impact on our profitability.*

We are responsible for establishing and maintaining adequate internal control measures commensurate with the size and complexity of operations. Internal control systems comprising policies and procedures are designed to ensure sound management of our operations, safekeeping of our assets, optimal utilization of resources, reliability of our financial information and compliance. The systems and procedures are periodically reviewed and routinely tested and cover all functions and business areas.

While we believe that we have adequate controls, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may occur or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Such internal control deficiencies may have an adverse impact on our reputation, business, results of operations, cash flows and financial condition.

61. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.*

Any dividends to be declared and paid in the future are required to be recommended by our Company’s Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company’s ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, have profits to pay dividends to our Company’s shareholders in future.

62. *Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Technopak Advisors Private Limited exclusively commissioned and paid for by us for such purpose.*

We have availed the services of an independent third-party research agency, Technopak Advisors Private Limited (“**Technopak**”), appointed by our Company on March 23, 2022, to prepare an industry report titled “*Industry Report on Indian Alco-Beverage Market*” dated June 21, 2022 for purposes of inclusion of such information in this Draft Red Herring Prospectus to understand the industry in which we operate. This report is subject to various limitations and based upon certain assumptions that are subjective in nature. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this

Draft Red Herring Prospectus. The Technopak Report uses certain methodologies for market sizing and forecasting. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. For further information, including disclosures made by Technopak in connection with the preparation and presentation of their report, see “*Certain Conventions, Currency of Presentation, Use of Financial Information, and Market Data*” on page 29.

63. *Certain of our Subsidiaries have incurred losses in the past, which may have an adverse effect on our reputation and business.*

Certain of our Subsidiaries have incurred losses during Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021 as set out below:

Subsidiary	Fiscal 2019	Fiscal 2020	Fiscal 2021	Nine months ended December 31, 2021
	(₹ million)			
ABD Dwelling Private Limited	-	-	-	(9.00)
Madanlal Estates Private Limited	-	-	-	(2.92)
NV Distilleries and Breweries (AP) Private Limited	(10.33)	(10.52)	(10.72)	(8.19)
Deccan Star Distillers Private Limited	(0.02)	(0.03)	(0.02)	(0.02)
Sarthak Blenders and Bottlers Private Limited	(9.58)	(16.36)	(17.09)	(8.02)
Chitwan Blenders and Bottlers Private Limited	(5.19)	(0.60)	(0.29)	(0.45)
TOTAL	(25.12)	(27.51)	(28.12)	(28.60)

There can be no assurance that our Subsidiaries will not incur losses in the future which may have an adverse effect on our reputation and business.

64. *We have issued Equity Shares during the preceding 12 months at prices that may be lower than the Offer Price*

We have, in the 12 months preceding the filing of this Draft Red Herring Prospectus, issued Equity Shares at prices that may be lower than the Offer Price. The price at which Equity Shares have been issued by our Company in the preceding 12 months is not indicative of the price at which they will be issued or traded. See “*Capital Structure – Notes to Capital Structure - our Company has not issued any Equity Shares or Preference Shares in the last one year preceding the date of this Draft Red Herring Prospectus*” on page 103.

65. *Our Company will not receive any proceeds from the Offer for Sale.*

The Offer comprises Fresh Issue aggregating up to ₹ 10,000 million and an Offer for Sale aggregating up to ₹ 10,000 million by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. However, in the any Selling Shareholder withdraws or abandons the Offer at any stage prior to the completion of the Offer, or if the Offer fails or is withdrawn, abandoned or terminated for any reason whatsoever, all costs, charges, fees and expenses incurred in connection with the Offer shall be borne amongst the Company and the Selling Shareholders, as mutually agreed amongst them. The expenses of the Selling Shareholders will, at the outset, be borne by our Company and each Selling Shareholder will reimburse our Company for such expenses (inclusive of taxes) incurred by our Company on behalf of such Selling Shareholders, in relation to the Offer, upon successful completion of the Offer in the manner as prescribed under applicable law and in a manner as may be mutually agreed among our Company and the Selling Shareholders.

66. *Our Promoters, Directors, Key Managerial Personnel are interested in the Company’s performance in addition to their normal remuneration and reimbursement of expenses.*

Certain of our Promoters, Directors and Key Managerial Personnel are interested in our Company, in addition to normal remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or their relatives’ holding in our Company. Further, other than as disclosed in “*Summary of Offer Document – Related Party Transactions*” and “*Related Party Transactions*” on pages 19 and 361, respectively, there are no other transactions entered into by our Company with our Promoters, Directors and Key Managerial Personnel. While we believe that all such transactions have been conducted on an arm’s length basis, we cannot assure you that we

might have obtained more favourable terms had such transactions been entered into with unrelated parties. For further information on the interest of our Directors, Promoters and Key Managerial Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, see “*Our Management – Interest of Directors*”, “*Our Promoters and Promoter Group - Interest of our Promoters*”, and “*Our Management – Interest of Key Managerial Personnel*” on pages 238, 262 and 256 respectively.

67. *Our Promoters, Directors, Subsidiaries and Group Companies are in businesses similar to ours and have interests in certain companies, which are in similar businesses to ours, and this may result in potential conflict of interest with us.*

A potential conflict of interest may occur between our Promoters, Directors and Group Companies may have interest in companies in the similar line of business as our Company. For example, (i) Chitwan Blenders & Bottlers Private Limited, Deccan Star Distilleries India Private Limited, NV Distilleries & Breweries (AP) Private Limited and Sarthak Blenders & Bottlers Private Limited, which are some of our Subsidiaries, have certain common pursuits with our Company; (ii) Ashoka Liquors Private Limited, Tracstar Distilleries Private Limited, and Power Brands Enterprises India Private Limited, which are some of our Group Companies have certain common pursuits with the Company, (iii) Officer’s Choice Private Limited, one of our Promoters has certain common pursuits with the Company (iv) BKC Enterprises Private Limited, one of our Promoters has certain common pursuits with the Company and (v) BDA Private Limited and Iconiq Brands India Private Limited, certain members of our Promoter Group have certain common pursuits with the Company. While presently these businesses do not compete with our Company, and accordingly there is no conflict of interest, we cannot assure you that our Promoters, Directors, their related entities and our Group Companies will not compete with us in the future. While our Company will adopt necessary procedures and practices as permitted by law to address any conflict situation as and when they arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

68. *We may require additional equity or debt in the future in order to continue to grow our business, which may not be available on favorable terms or at all.*

Our strategy to grow our business and maintain our market share may require us to raise additional funds or refinance our existing debt for our working capital or long term loans. There can be no assurance that such funds will be available on favorable terms or at all. Additional debt financing may increase our financing costs. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows. Any issuance of equity to raise additional funds, on the other hand, would result in a dilution of the shareholding of existing shareholders. If we are unable to raise additional funds on favorable terms or at all as and when required, our business, financial condition, results of operations and prospects could be adversely affected.

69. *We face foreign exchange risks that could adversely affect our results of operations and cash flows.*

We have foreign currency payables for procurement of certain raw and packing materials and costs incurred during our export sales business operations and during our receivables, trade payables, borrowings and other payables, and are therefore exposed to foreign exchange risk between the Indian Rupee, British Pound and U.S. dollars. Any significant fluctuation in the value of the Indian Rupee against such currencies including as noticed recently in the case of the US Dollar, may adversely affect our results of operations. As of the date of this Draft Red Herring Prospectus, our Company does not have a formal hedging policy As of December 31, 2021, ₹ 148.48 million of our foreign currency exposure was unhedged. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Also see, “*Restated Consolidated Financial Information – Note 45: Financial Risk Management*” on page 319.

70. *We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian alcohol and spirits industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Draft Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian alcohol and spirits industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Draft Red Herring Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*” on page 371.

71. *We will continue to be controlled by our Promoters after the completion of the Offer.*

As of the date of this Draft Red Herring Prospectus, our Promoters held the entire issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Offer, our Promoters will continue to hold majority of our equity share capital, which will allow them to continue to control the outcome of matters submitted to our Shareholders for approval. After this Offer, our Promoters will continue to exercise significant control or exert significant influence over our business and major policy decisions, including but not limited to control the composition of our Board, delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us. The interests of our Promoters may conflict with your interests and the interests of our other shareholders, and our Promoters could make decisions that may adversely affect our business operations, and hence the value of your investment in the Equity Shares.

72. *Our customers may engage in transactions in or with countries or persons that are subject to U.S. and other sanctions.*

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organisations also administer similar economic sanctions. We may enter into transactions with customers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers’ dealings in or with countries or with persons that are the subject of U.S. sanctions.

External Risk Factors

73. *Recent global economic conditions have been challenging and continue to affect the Indian market, which may adversely affect our business, financial condition, results of operations and prospects.*

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India and could then adversely affect our business, financial performance and the price of our Equity Shares.

Any other global economic developments or the perception that any of them could occur may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our equity shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

74. *Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.*

Natural disasters (such as typhoons, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, and results of operations. Recent developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity, and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus. A worsening of the current outbreak of the COVID-19 pandemic or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

75. *Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.*

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

76. *Changing laws, rules or regulations and legal uncertainties including taxation laws, or their interpretation, such changes may significantly affect our financial statements.*

The regulatory environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations that could affect the component industry, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Accordingly, any adverse regulatory change in this regard could lead to fluctuation of prices of raw materials and thereby increase our operational cost. For details on the laws applicable to us, please see "Key Regulations and Policies" on page 206.

The Income Tax Act, 1961 ("IT Act") was amended to provide domestic companies an option to pay corporate income tax at the effective rate of approximately 25.17% (inclusive of applicable surcharge and health and education cess), as compared to effective rate of 34.94% (inclusive of applicable surcharge and health and education cess), provided such companies do not claim certain specified deductions or exemptions. Further, where a company has opted to pay the reduced corporate tax rate, the minimum alternate tax provisions would not be applicable. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability. Due to the COVID -19 pandemic, the

Government of India had also passed the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020, implementing relaxations from certain requirements under, amongst others, the Central Goods and Services Tax Act, 2017 and Customs Tariff Act, 1975.

As on the date of this Draft Red Herring Prospectus, GST is not applicable to the alcohol industry. However, if and when it is implemented, there can be no assurance that we will be able to comply with additional procedures or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. With the implementation of GST, we may be obligated to take on additional levies or pass on any benefits accruing to us as result of the transition to GST to the consumer thereby limiting our benefits. In order for us to utilise input credit under GST, the entire value chain will have to be GST compliant, including us. There can be no assurance that our suppliers will adhere to the GST rules and regulations. Any such failure may result in increased cost on account of non-compliance with the GST and may adversely affect our business and results of operations.

Earlier, distribution of dividends by a domestic company was subject to Dividend Distribution Tax (“**DDT**”), in the hands of the company. Such dividends were generally exempt from tax in the hands of the shareholders. However, the Government of India has amended the IT Act to abolish the DDT regime. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rate. Additionally, the Company is required to withhold tax on such dividends distributed at the applicable rate.

Further, the Government of India has notified the Finance Act, 2022 (“**Finance Act**”), which has introduced various amendments to the IT Act. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations, and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent, may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

77. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets

or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

Risks Relating to the Equity Shares and this Offer

78. *Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Book Running Lead Managers or any of their directors and executive officers in India respectively, except by way of a law suit in India.*

Our Company is a company incorporated under the laws of India and majority of our Directors are located in India. A majority of our assets, our Key Managerial Personnel and officers are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Indian Code of Civil Procedure, 1908. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

79. *The trading volume and market price of the Equity Shares may be volatile following the Offer.*

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

80. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time taken for such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Shareholders. For example, the exchange rate between the Indian Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

81. *Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.*

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

82. *Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

83. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government

approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 477.

84. *Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.*

Our Restated Consolidated Financial Statement for Fiscal 2019, 2020 and 2021 and for the nine months ended December 31, 2021, have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

85. *The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the Book Running Lead Managers is below their respective issue prices.*

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and Selling Shareholders in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under “*Basis for Offer Price*” on page 125 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further information, see “*Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs*” on page 433. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

86. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid amount) at any stage after submitting a bid, and Retail Individual Bidders are not permitted to withdraw their Bids after Bid/Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors’ decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment.

We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the investors’ ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing. Therefore, QIBs and Non-Institutional Bidders will not be able to withdraw or lower

their bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or otherwise between the dates of submission of their Bids and Allotment.

87. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

88. *A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.*

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of Takeover Regulations.

89. *Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.*

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

90. *Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.*

The U.S. "Foreign Account Tax Compliance Act" (or "FATCA") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries). If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

91. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is “passive income” or (ii) at least 50% of its gross assets during the taxable year (based on the quarterly values of the assets during a taxable year) are “passive assets,” which generally means that they produce passive income or are held for the production of passive income.

No assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company’s income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company’s PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer of Equity Shares⁽¹⁾⁽²⁾	Up to [●] Equity Shares, aggregating up to ₹ 20,000 million
<i>of which:</i>	
Fresh Issue⁽¹⁾⁽⁹⁾	Up to [●] Equity Shares, aggregating up to ₹ 10,000 million
Offer for Sale⁽²⁾	Up to [●] Equity Shares, aggregating up to ₹ 10,000 million
The Offer comprises:	
Employee Reservation Portion⁽³⁾⁽⁸⁾	Up to [●] Equity Shares, aggregating up to ₹ [●] million
Net Offer	Up to [●] Equity Shares, aggregating up to ₹ [●] million
The Net Offer comprises of:	
A) QIB Portion⁽⁴⁾⁽⁵⁾	Not more than [●] Equity Shares
<i>of which:</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion⁽⁶⁾⁽⁷⁾⁽⁸⁾	Not less than [●] Equity Shares
<i>of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 200,000 and up to ₹ 1,000,000	[●] Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1,000,000	[●] Equity Shares
C) Retail Portion⁽³⁾⁽⁴⁾⁽⁷⁾⁽⁸⁾	Not less than [●] Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	244,113,665 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	See “ <i>Objects of the Offer</i> ” on page 115 for information on the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

- (1) The Offer has been authorized by a resolution of our Board dated March 31, 2022 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated April 1, 2022.
- (2) Each of the Selling Shareholders (severally and not jointly) has specifically confirmed that its portion of the Offered Shares has been held by it in accordance with applicable law, and is eligible for being offered for sale as part of the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. Each of the Selling Shareholders has confirmed and approved its participation in the Offer for Sale as set out below:

S. No.	Name of the Selling Shareholder	Offered Shares	Date of Selling Shareholder's consent letter
1.	Bina Kishore Chhabria	Up to [●] Equity Shares aggregating up to ₹ 5,000 million	June 22, 2022
2.	Resham Chhabria Jeetendra Hemdev	Up to [●] Equity Shares aggregating up to ₹ 2,500 million	June 22, 2022
3.	Neesha Kishore Chhabria	Up to [●] Equity Shares aggregating up to ₹ 2,500 million	June 22, 2022

- (3) In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion

(after allocation up to ₹500,000 to each eligible employee), shall be added to the Net Offer. Our Company and Selling Shareholders, in consultation with the BRLMs, may offer a discount of up to [●] % (equivalent to up to ₹ [●] per Equity Share) to the Eligible Employees Bidding under the Employee Reservation Portion. The amount of employee discount, if any will be advertised in all newspapers wherein the pre-Offer advertisement will be published.

- (4) Our Company and Selling Shareholders, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" on page 457.
- (5) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company and Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law.
- (6) The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. For details, see "Offer Procedure" beginning on page 457.
- (7) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Bidders shall not be less than ₹ 0.20 million, subject to the availability of Equity Shares in Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the SEBI ICDR Regulations. Allocation to Anchor Investors shall be on a discretionary basis. For further details, see "Offer Procedure" on page 457.
- (8) SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (9) Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

For further details, including in relation to grounds for rejection of Bids, refer to "Offer Procedure" on page 457.

For further details of the terms of the Offer, see "Terms of the Offer" on page 445.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Consolidated Financial Information. The summary financial information presented below should be read in conjunction with “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 272 and 362.

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RESTATED CONSOLIDATED BALANCE SHEET

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
ASSETS				
I Non-current assets				
Property, plant and equipment	5,056.69	4,463.03	4,355.30	4,767.17
Capital work-in-progress	135.04	169.34	477.18	334.97
Right of use assets	1,331.07	1,362.03	1,347.38	1,390.04
Goodwill	38.54	38.54	38.54	38.54
Other intangible assets	626.22	629.65	613.98	632.32
Intangibles under development	-	-	-	0.45
Financial assets				
(i) Investments	0.04	221.08	0.04	0.04
(ii) Loans	83.25	86.16	81.63	97.57
(iii) Other financial assets	327.24	405.58	300.86	248.27
Deferred tax assets (net)	160.71	160.43	227.33	107.49
Income tax (current-tax) assets (net)	109.69	90.82	86.13	75.22
Other non-current assets	149.23	1,251.59	1,252.19	1,249.57
Total non-current assets	8,017.72	8,878.25	8,780.56	8,941.65
II Current assets				
Inventories	4,496.81	3,458.11	3,696.42	4,165.45
Financial assets				
(i) Trade receivables	10,100.62	8,669.29	9,347.45	11,394.82
(ii) Cash and cash equivalents	170.47	434.89	722.82	189.42
(iii) Other bank balances	367.53	267.61	310.26	204.50
(iv) Loans	47.31	93.62	41.67	58.39
(v) Other financial assets	606.05	160.31	328.12	162.72
Other current assets	795.43	1,023.60	776.35	1,198.97
Total current assets	16,584.22	14,107.43	15,223.09	17,374.27
TOTAL ASSETS	24,601.94	22,985.68	24,003.65	26,315.92
EQUITY AND LIABILITIES				
III Equity				
Equity share capital	471.13	471.13	471.13	471.13
Other equity				
Equity component of non-cumulative convertible preference shares	-	68.18	68.18	-
Equity component of compound financial instrument	952.82	-	-	-
Other reserves	2,637.05	3,278.51	3,256.88	2,447.04
Total equity	4,061.00	3,817.82	3,796.19	2,918.17
Liabilities				

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
IV Non-current liabilities				
Financial liabilities				
(i) Borrowings	2,090.79	2,014.32	2,481.07	2,684.92
(ii) Lease liabilities	164.16	170.59	125.62	145.69
Provisions	123.63	126.17	116.09	113.64
Total non-current liabilities	2,378.58	2,311.08	2,722.78	2,944.25
V Current liabilities				
Financial liabilities				
(i) Borrowings	7,178.11	7,533.07	7,841.24	10,666.65
(ii) Lease liabilities	19.46	27.42	62.53	43.98
(iii) Trade payables				
Dues of micro and small enterprises	1,320.26	1,559.88	1,674.53	955.41
Dues of creditors other than micro and small enterprises	2,124.78	2,154.34	2,695.97	2,997.26
(iv) Other financial liabilities	3,331.20	3,215.98	3,035.94	2,984.51
(v) Share application money	-	-	-	750.00
Other current liabilities	4,045.95	2,196.92	2,021.78	1,877.92
Provisions	138.71	147.49	145.06	141.97
Current tax liabilities (net)	3.89	21.68	7.63	35.79
Total current liabilities	18,162.36	16,856.78	17,484.68	20,453.49
TOTAL LIABILITIES	20,540.94	19,167.86	20,207.46	23,397.74
TOTAL EQUITY AND LIABILITIES	24,601.94	22,985.68	24,003.65	26,315.92

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in million)

Particulars	Period from 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue				
Revenue from operations	54,449.84	63,787.76	81,190.65	89,345.97
Other income	75.89	190.36	165.47	122.60
Total Income	54,525.73	63,978.12	81,356.12	89,468.57
Expenses				
Cost of materials consumed	12,005.34	13,904.44	18,451.21	18,365.84
Purchases of stock-in-trade	36.96	37.30	51.81	51.27
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(427.04)	268.77	175.63	(325.24)
Excise duty	34,996.04	40,304.10	51,231.15	58,674.56
Employee benefit expense	1,452.58	1,722.38	1,785.64	1,764.53
Other expenses	4,875.83	5,611.17	7,160.25	7,767.92
Total expenses (excluding finance cost and depreciation / amortisation)	52,939.71	61,848.16	78,855.69	86,298.88
Profit before depreciation, finance costs, share of profit of investment accounted for using equity method , exceptional items and tax	1,586.02	2,129.96	2,500.43	3,169.69
Finance costs	1,106.75	1,415.10	1,802.07	1,876.29
Depreciation and amortisation expenses	433.28	587.41	694.23	776.26
Profit before sharing profit of investment accounted for using equity method , exceptional items and tax	45.99	127.45	4.13	517.14
Share in net profit of associate/joint ventures accounted for using equity method net of tax	-	-	-	1.34
Profit before exceptional items and tax	45.99	127.45	4.13	518.48
Exceptional item	-	-	-	176.81
Profit before tax	45.99	127.45	4.13	341.67
Tax expense/(credit), net				
(i) Current tax	9.59	45.51	-	86.14
(ii) Deferred tax	21.37	68.76	(119.88)	98.33
(iii) Tax adjustments in respect of earlier years	(17.99)	(11.90)	(3.92)	5.19
	12.97	102.37	(123.80)	189.66
Profit after tax	33.02	25.08	127.93	152.01
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Remeasurement of the defined benefit plans (loss)/gain	11.28	(5.31)	0.13	3.32
Income tax relating to these items	(3.94)	1.86	(0.04)	(1.16)
Other comprehensive income for the period/year, net of tax	7.34	(3.45)	0.09	2.16
Total comprehensive income for the period/year	40.36	21.63	128.02	154.17

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(₹ in million)

Particulars	Notes	Period from 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
CASH FLOW FROM OPERATING					
A. ACTIVITIES					
Profit before tax		45.99	127.45	4.13	341.67
Adjustments for :					
Depreciation/amortisation		433.28	587.41	694.23	776.26
Provision for doubtful debts		41.30	114.42	8.89	44.11
Bad debts and advances written-off		91.60	5.00	41.13	-
Provision for doubtful advances		-	-	37.50	37.51
Provision for inventory		18.75	14.07	20.74	7.07
Unrealised foreign loss/ (gain)		(7.84)	-	7.55	25.45
Finance costs		1,106.75	1,415.10	1,802.07	1,876.29
Legal and professional fees (capital raising) (exceptional item)		-	-	-	176.81
Impairment of investments/ assets		-	-	-	2.00
Provision against receivables, written back on account of merger		-	-	-	(1.63)
(Profit)/loss on sale of property, plant and equipment		(3.61)	(0.63)	5.67	(2.52)
Profit on sale of investment		-	-	(0.13)	(14.65)
Fair value changes of investments measured at fair value through profit and loss		-	-	-	(0.16)
Liabilities no longer required written back		(7.75)	(60.61)	(59.00)	(62.89)
Share in profit of associates and joint venture		-	-	-	(1.34)
Provision for earlier year written back		-	(24.53)	(10.11)	-
Interest income from investing activities		(20.57)	(30.51)	(23.87)	(21.56)
Operating profit before working capital changes		1,697.90	2,147.17	2,528.80	3,182.42
Adjustments for working capital:					
Decrease /(Increase) in inventories		(1,057.45)	224.24	448.31	(1,142.75)
Decrease /(Increase) in trade receivables		(1,561.08)	583.27	2,009.29	(2,163.86)
Decrease/(Increase) in financial assets and other assets		201.66	(230.94)	238.22	127.09
(Decrease)/Increase in liabilities and provisions		1,701.34	(233.31)	755.89	1,969.70
Cash generated from operating activities		982.37	2,490.43	5,980.51	1,972.60
Direct taxes paid (net)		(28.27)	(24.25)	(35.20)	(61.52)
Net cash generated from operating activities	(A)	954.10	2,466.18	5,945.31	1,911.08
CASH FLOW FROM INVESTING					
B. ACTIVITIES					
Sale/(Purchase) of investments		(0.20)	(0.00)	0.13	2.95
Investment in compulsorily convertible debentures		(241.01)	(221.04)	-	-

(₹ in million)

Particulars	Notes	Period	Year	Year	Year
		from 01 April 2021 to 31 December 2021	ended 31 March 2021	ended 31 March 2020	ended 31 March 2019
Purchase of property, plant and equipment		(514.21)	(356.27)	(468.36)	(1,583.04)
Sale of property, plant and equipment		12.94	9.31	5.84	10.79
Proceeds from sale of investment		-	53.00	-	-
Investment in bank fixed deposits (net)		(45.13)	(109.18)	(10.81)	(57.38)
Refund of capital advance for purchase of land		750.00	-	-	-
Interest received		20.57	30.51	23.87	19.93
Net cash used in investing activities	(B)	(17.04)	(593.67)	(449.33)	(1,606.75)
CASH FLOW FROM FINANCING ACTIVITIES					
C. ACTIVITIES					
Proceeds from long term borrowings		601.00	505.38	1,132.81	1,536.47
Repayment of long term borrowings		(796.17)	(746.45)	(1,703.84)	(2,708.59)
(Repayment of) short term borrowings (net)		(310.40)	(499.91)	(2,503.15)	2,185.99
Deposits with bank towards margin money against borrowings (net)		-	79.50	(118.14)	-
Finance costs paid		(1,124.80)	(1,427.21)	(1,748.92)	(1,783.43)
Legal and professional fees (capital raising) (exceptional item)		-	-	-	(176.81)
Repayment of lease obligations		(31.68)	(71.75)	(21.34)	(42.94)
Share application money received		-	-	-	750.00
Issue of compulsory convertible debentures		1,000.00	-	-	-
Redemption of Preference Shares		(750.00)	-	-	-
Net cash used in financing activities	(C)	(1,412.05)	(2,160.44)	(4,962.58)	(239.31)
Net (decrease)/increase in cash and cash equivalents	(A+B+C)	(474.99)	(287.93)	533.40	65.02
Opening balance of cash and cash equivalents		434.89	722.82	189.42	121.71
Adjustment on account of Henkell merger		-	-	-	2.69
Cash acquired on acquisition of subsidiary		210.57	-	-	-
Closing balance of cash and cash equivalents		170.47	434.89	722.82	189.42
Components of cash and cash equivalents:					
Cash on hand		8.50	16.82	15.81	1.98
Balances with banks in current accounts		158.76	414.37	703.46	187.44
in Fixed deposits (original maturity period less than 3 months)		3.21	3.70	3.55	-
Cash and cash equivalents		170.47	434.89	722.82	189.42

GENERAL INFORMATION

Our Company was incorporated as ‘You and Me Properties Private Limited’, pursuant to a certificate of incorporation dated October 8, 2008, issued by the RoC. The name of our Company was changed to ‘Moonlight Blenders and Distillers Private Limited’, and a fresh certificate of incorporation dated July 22, 2009 was issued by the RoC. Pursuant to a scheme of amalgamation between Allied Blenders and Distillers Private Limited, Our Own Properties Private Limited and our Company, dated April 1, 2009, and an order of the Bombay High Court dated February 5, 2010, the entire business undertakings of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited were transferred to our Company. Consequently, the name of our Company was changed to ‘Allied Blenders and Distillers Private Limited’, and a fresh certificate of incorporation dated April 30, 2010, was issued by the RoC. Subsequently, pursuant to a resolution of our Board dated June 2, 2022 and a resolution of our Shareholders dated June 4, 2022, our Company was converted from a private company to a public company and consequently, our name was changed from ‘Allied Blenders and Distillers Private Limited’ to ‘Allied Blenders and Distillers Limited’, and a fresh certificate of incorporation under the Companies Act, 2013 was issued upon a change in name by the RoC on June 8, 2022.

Registered Office of our Company

The address and certain other details of our Registered Office is as follows:

Allied Blenders and Distillers Limited

394-C Lamington Chambers,
Lamington Road,
Mumbai – 400 004
Maharashtra, India
Telephone: +91 22 67779777

Corporate Office of our Company

The address and certain other details of our Corporate Office is as follows:

Allied Blenders and Distillers Limited

Ashford Center, 3rd and 4th floor,
Shankar Rao Naram Marg,
Lower Parel (West),
Mumbai – 400 013
Maharashtra, India
Telephone: +91 22 43001111

Corporate identity number and registration number

Corporate Identity Number: U15511MH2008PLC187368
Registration Number: 187368

The Registrar of Companies

Our Company is registered with the RoC, which is situated at the following address:

Registrar of Companies, Maharashtra at Mumbai

5th Floor Everest,
100 Marine Drive,
Mumbai – 400 002
Maharashtra, India

Our Board of Directors

The following table sets out the brief details of our Board as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Kishore Rajaram Chhabria	Whole-Time Director (Chairman)	00243244	Flat No. 111/11, Casa Grande, Little Gibbs Road, Malabar Hills, Mumbai- 400006, Maharashtra
Bina Kishore Chhabria	Non-Executive Director and Co-Chairperson	00243376	Flat No. 111/11, Casa Grande, Little Gibbs Road, Malabar Hills, Mumbai- 400006, Maharashtra
Resham Chhabria Jeetendra Hemdev	Whole-Time Director (Vice Chairperson)	00030608	Flat No. 61/6, Casa Grande, Little Gibbs Road No. 2, Malabar Hills, Mumbai-400006, Maharashtra
Shekhar Ramamurthy	Whole-Time Director (Executive Deputy Chairman)	00504801	11 A, Binny Crescent Apartments, 16/1 Benson Cross Road, Benson Town, Bangalore- 560046, Karnataka
Maneck Navel Mulla	Non-Independent, Non- Executive Director	02451544	1 st Floor, Yazad-o-Khurshood, Altamount Road, Opp Chitrakoot Apartments, Mumbai – 400026, Maharashtra
Nasser Mukhtar Munjee	Independent Director	00010180	House No. 471 Benedict Villa, Saudevado, Carraim Chorao, Tiswadi, North Goa, Goa - 403102
Balaji Viswanathan Swaminathan	Independent Director	01794148	87 Sunset Way, Clementi Park, Singapore-597108
Paul Henry Skipworth	Independent Director	09623856	8, Henderland Road, Edinburg, United Kingdom, EH126BB.
Vivek Anilchand Sett	Independent Director	00031084	1001, Marathon Heights, P. B. Marg, Worli, Mumbai- 400013, Maharashtra
Rukhshana Jina Mistry	Independent Director	08398795	Flat No. 19, Rose Minar 87, Chapel Road, Near Mount Carmel Church, Bandra (West), Mumbai- 400050, Maharashtra.

For further details of our Board of Directors, see “*Our Management- Board of directors*” on page 231.

Company Secretary and Compliance Officer

Ritesh Ramniklal Shah is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

Ritesh Ramniklal Shah

Ashford Center, 3rd and 4th floor,
Shankar Rao Naram Marg,
Lower Parel (West),
Mumbai- 400013,
Maharashtra, India

Telephone: +91 22 4300 1111

E-mail: complianceofficer@abndindia.com

Investor Grievances

Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the

Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Book Running Lead Managers giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the Book Running Lead Managers where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

ICICI Securities Limited

ICICI Venture House,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400025,
Maharashtra, India,
Telephone: +91 22 6807 7100
E-mail: alliedblenders.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor Grievance e-mail:
customerescalation@icicisecurities.com
Contact person: Monank Mehta
SEBI Registration No.: INM000011179

Axis Capital Limited

1st Floor, Axis House,
C-2 Wadia International Centre,
PB Marg, Worli, Mumbai – 400025,
Maharashtra, India
Telephone: +91 22 4325 2183
E-mail: abdl.ipo@axiscapital.com
Investor grievance e-mail:
complaints@axiscapital.com
Website: www.axiscapital.co.in
Contact Person: Sagar Jatakiya / Harish Patel
SEBI Registration No.: INM000012029

JM Financial Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025,
Maharashtra, India
Telephone: +91 22 6630 3030/ +91 22 6630 3262
E-mail: alliedblenders.ipo@jmfl.com
Investor grievance e-mail:
grievance.ipo@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
SEBI Registration No.: INM000010361

Kotak Mahindra Capital Company Limited

27 BKC, 1st Floor, Plot No. C – 27
"G" Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,
Maharashtra, India
Telephone: +91 22 4336 0000
E-mail: abdl.ipo@kotak.com
Website: www.investmentbank.kotak.com
Investor Grievance e-mail:
kmcaddressal@kotak.com
Contact person: Ganesh Rane
SEBI Registration No.: INM000008704

Equirus Capital Private Limited

12th Floor, C wing,
Marathon Futurex, NM Joshi Marg,
Lower Parel, Mumbai - 400 013,
Maharashtra, India
Telephone: +91 22 4332 0735
E-mail: abdl.ipo@equirus.com
Investor grievance e-mail:
investorgrievance@equirus.com
Website: www.equirus.com
Contact Person: Vaibhav Shah
SEBI Registration No.: INM000011286

Legal Counsel to our Company and the Selling Shareholders as to Indian law

AZB & Partners
AZB House,
Peninsula Corporate Park,
Ganpatrao Kadam Marg
Lower Parel, Mumbai 400 013, India
Telephone: +91 22 6639 6880

AZB & Partners
AZB House,
Plot No. A8, Sector 4,
Noida 201301
National Capital Region, India
Telephone: +91 120 417 9999

Legal Counsel to the Book Running Lead Managers as to Indian law

IndusLaw

#1502B, 15th Floor,
Tower – 1C, "One World Centre",
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013, India,
Telephone: + 91 22 4920 7200

International Legal Counsel to Book Running Lead Managers

Hogan Lovells Lee & Lee

50 Collyer Quay,
#10-01 OUE Bayfront,
Singapore- 049321
Telephone: +65 6538 0900

Statutory Auditors to our Company

Walker Chandiok & Co LLP, Chartered Accountants

Tower II, One World Centre,
Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013,
Maharashtra, India
Tel: +91 22 6626 2600/99
E-mail: adi.sethna@walkerchandiok.in
Firm Registration Number: 001076N/N500013
Peer Review Certificate Number: 014158

Changes in the auditors

Except as mentioned below, there has been no change in our Statutory Auditors in the three years immediately preceding the date of this Draft Red Herring Prospectus:

Name of the statutory auditor	Date of change	Reason
Ford Rhodes Parks & Co LLP Sai Commercial Building, 312 / 313 3 rd floor, BKS Devashi Marg, Govandi (East), Mumbai- 400088, Maharashtra, India Tel: +91 22 6797 9819 E-mail: frp.mumbai@hotmail.com Firm Registration Number: 102860W	September 30, 2019	Completion of term as joint statutory auditor to our Company [#]

[#]Please note that the Ford Rhodes Parks & Co LLP and Walker Chandiok & Co LLP, Chartered Accountants were joint auditors of our Company for the Financial Year 2019.

Registrar to the Offer

Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083,
Maharashtra, India
Telephone: 022 4918 6200

Email: abdl.ipo@linkintime.co.in
Investor grievance email: abdl.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Syndicate Members

[•]

Banker(s) to the Offer

Escrow Collection Bank(s)

[•]

Public Offer Bank(s)

[•]

Refund Bank(s)

[•]

Sponsor Banks

[•]

Bankers to our Company

Axis Bank Ltd.

Corporate Banking Branch Mumbai,
12A Mittal Tower, 1st Floor,
Nariman Point, Mumbai - 400 021,
Maharashtra, India
Tel: + 91 22 2289 5115
Website: www.axisbank.com
Email: anil123.kumar@axisbank.com
deepak.modani@axisbank.com
Contact Person: Anil Kumar, Deepak Modani

Yes Bank Limited

6th Floor, Yes Bank House,
Santacruz (E), Mumbai - 400 055,
Maharashtra, India
Tel: +91 22 65078061
Website: www.yesbank.in
Email: sanjeev.baria@yesbank.in
Contact Person: Sanjeev Baria

The South Indian Bank Ltd.

289, EMCA House,
Shahid Bhagat Singh Road,
Fort, Mumbai - 400 038,
Maharashtra, India
Tel: +91 22 2261 1209
Website: www.southindianbank.com
Email: br0263@sib.co.in
Contact Person: Saija Sahadevan

State Bank of India

Industrial Finance Branch,
Parinee Crescenzo, G-Block,
BKC, Bandra East,
Mumbai - 400 051,
Maharashtra, India
Tel: +91 22 2653 0147
Website: www.sbi.co.in
Email: amt3.08965@sbi.co.in
Contact Person: Vinod Nair

IndusInd Bank Limited

11th Floor, One India Bulls Centre,
Tower 1-C, Near Prabhadevi Railway Station,
Mumbai - 400 013,
Maharashtra, India
Tel: +91 22 7143 2158
Website: www.indusind.com
Email: jain.abhishek@indusind.com
Contact Person: Abhishek Jain

SVC Co-operative Bank Ltd.

Shop No. 8-10, Ramodiya Mansion No. 1,
Dr. Annie Beasant Road,
Worli, Mumbai- 400 030,
Maharashtra, India
Tel: +91 22 24365468/ +91 22 2431 5468
Website: www.svcbank.com
Email: worliou@svcbank.com
Contact Person: Satish V Patil

Saraswat Co-operative Bank Limited

1st Floor, Bholanath Co-operative Housing Society Limited, 715, Subhash Road, Near Vile Parle Mahila Sangh School, Vile Parle (East), Mumbai - 400 057, Maharashtra, India
Tel: +91 22 4234 9999 / +91 22 4234 9900
Website: www.saraswatbank.com
Email: harshal.waradkar@saraswatbank.com
Contact Person: Harshal Vishwas Waradkar

IDFC First Bank (formerly IDFC Bank Limited)

Building No. 2, 2nd floor, Mindspace, TTC Industrial Area, Juinagar, Navi Mumbai - 400 706 Maharashtra, India
Tel: +91 22 4985 0012/ 19/ 0610
Website: www.idfcfirstbank.com
Email: escrow.services@idfcfirstbank.com
Contact Person: Nayan Vichare

DBS Bank India Ltd. (erstwhile Laxmi Vilas Bank)

Bharat House, 104, B. S. Marg, Fort Mumbai- 400 001, Maharashtra, India
Tel: +91 22 22672247/ 55
Website: www.dbs.com/in
Email: ramakrishnan.kanagaraj@lvbank.com
Contact Person: Ramakrishnan A K

The Karur Vysya Bank Limited

The Karur Vysya Bank, 3rd Floor, No. 6, Pusa Road, Opposite to Metro Pillar No. 80, Karol Bagh, Delhi 110005
Tel: +91 9899911411
Website: www.kvb.co.in
Email: deepakbhan@kvbmail.com
Contact Person: Deepak Bhan

Designated Intermediaries***Self-Certified Syndicate Banks***

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, a UPI Bidder, may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>, as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any other website prescribed by SEBI from time to time. For more information on such branches

collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> as updated from time to time or any other website prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/> and <https://www.nseindia.com/>, as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and <https://www.nseindia.com/products/consent/equities/ipos/asba-procedures.htm>, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

- i. Our Company has received written consent dated June 24, 2022 from Walker Chandiok & Co LLP, Chartered Accountants, to include their name as required under section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of (i) their examination report dated June 13, 2022 on our Restated Consolidated Financial Statements; and (ii) their report dated June 24, 2022 on the Statement of Possible Special Tax Benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
- ii. Our Company has received written consent dated June 27, 2022, from the independent chartered accountant, namely S D T & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 and other applicable provisions of the Companies Act in its capacity as an independent chartered accountant.
- iii. Our Company has received written consent dated June 23, 2022 from Sunil Bhor & Associates, Chartered Engineer to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer in relation to her/his certificate dated June 23, 2022.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Monitoring Agency

Our Company will appoint a monitoring agency to monitor utilization of the Net Proceeds, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus with the RoC. The requisite details shall be included in the Red Herring Prospectus. For further details in relation to the proposed utilisation of the Net Proceeds, see “*Objects of the Offer*” on page 115.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency.

Statement of inter-se allocation of responsibilities of the Book Running Lead Managers

S. No.	Activity	Responsibility	Coordinator
1.	Capital structuring, due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing	All BRLMs	I-Sec
2.	Drafting and approval of all statutory advertisement	All BRLMs	I-Sec
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	All BRLMs	Axis
4.	Appointment of Registrar to the Offer, Advertising Agency and Printer to the Offer including co-ordination for their agreements.	All BRLMs	I-Sec
5.	Appointment of all other intermediaries and including co-ordination for all other agreements	All BRLMs	JM
6.	Preparation of road show presentation and frequently asked questions	All BRLMs	Kotak
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule 	All BRLMs	Kotak
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> • marketing strategy; • Finalizing the list and division of investors for one-to-one meetings; and • Finalizing road show and investor meeting schedule 	All BRLMs	I-Sec
9.	Retail marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centres for holding conferences for brokers, etc.; • Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and • Finalising collection centres • Finalising commission structure 	All BRLMs	JM
10.	Conduct non – Institutional marketing of the offer	All BRLMs	Axis
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	All BRLMs	Axis
12.	Managing the book and finalization of pricing in consultation with the Company	All BRLMs	Kotak
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing	All BRLMs	JM

S. No.	Activity	Responsibility	Coordinator
	<p>of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.</p> <p>Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.</p> <p>Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI</p>		

Credit Rating

As this is an offer of Equity Shares, credit rating is not required for the Offer.

IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

Debenture Trustees

As this is an offer of Equity Shares, no debenture trustee has been appointed for the Offer.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus will be filed through the SEBI Intermediary Portal at <https://sipotal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC at its office at Maharashtra at Mumbai, and through the electronic portal at <https://www.mca.gov.in/mcafoportal/login.do>.

Book Building Process

Book Building Process, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band and the minimum Bid Lot, which will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, will be advertised in all editions of [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and Marathi editions of [●] (a widely circulated [●] daily newspaper, Marathi being the regional language of Maharashtra where our registered office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers after the Bid/Offer Closing Date. For further details, see “Offer Procedure” on page 457.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs and Sponsor Banks, as the case may be. In addition to this, the RIBs, NIBs and Eligible

Employees may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each of the Selling Shareholders have, severally and not jointly, specifically confirmed that they will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to such Selling Shareholder, in relation to its portion of the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the Book Running Lead Managers to manage this Offer and procure Bids for this Offer.

The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For further details on the method and procedure for Bidding, see “Offer Structure” and “Offer Procedure” on pages 450 and 457, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “Terms of the Offer” and “Offer Procedure” on pages 445 and 457, respectively.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.)

Name, address, telephone number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]

The above-mentioned underwriting commitments are indicative and will be finalised after determination of Offer Price and actual allocation in accordance with provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers with SEBI under Section 12 (1) of the SEBI Act or registered as

brokers with the Stock Exchange(s). Our Board/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, each of the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders respectively procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing the Prospectus with the RoC. The extent of underwriting obligations and the Bids to be underwritten in the Offer by each Book Running Lead Manager shall be as per the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below:

(in ₹, except share data)

		Aggregate nominal value	Aggregate value at Offer Price ⁽¹⁾
A	AUTHORIZED SHARE CAPITAL*		
	362,150,000 Equity Shares of face value of ₹ 2 each	724,300,000	-
	Total	724,300,000	
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	244,113,665 Equity Shares of face value of ₹ 2 each	488,227,330	-
	Total	488,227,330	
C	PRESENT OFFER		
	Offer of up to [●] Equity Shares of face value of ₹2 each aggregating up to ₹20,000 million ^{(1) (2)(4)(5)}	[●]	[●]
	<i>Of which</i>		
	Fresh Issue of [●] Equity Shares of face value of ₹2 each aggregating up to 10,000 million ⁽¹⁾⁽⁵⁾	[●]	[●]
	Offer for Sale of up to [●] Equity Shares of face value of ₹2 each aggregating up to 10,000 million ^{(1) (3)}	[●]	[●]
	which includes		
	Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹ [●] million ⁽⁴⁾	[●]	[●]
E	SHARE PREMIUM ACCOUNT		
	Before the Offer	2,038,506,000	
	After the Offer	[●]	

* For details in relation to the changes in the authorised share capital of our Company in the last 10 years, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association in the last 10 years" on page 219.

⁽¹⁾ To be included upon finalization of the Offer Price.

⁽²⁾ The Offer has been authorised by our Board pursuant to its resolution dated March 31, 2022 and the Fresh Issue has been authorized by our Shareholders pursuant to a special resolution passed on April 1, 2022.

⁽³⁾ Each of the Selling Shareholders confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see "Other Regulatory and Statutory Disclosures" on page 422.

⁽⁴⁾ In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹ 500,000), shall be added to the Net Offer. Our Company and Selling Shareholders in consultation with the BRLMs, may offer a discount of up to [●]% of the Offer Price to Eligible Employees bidding in the Employee Reservation Portion which shall be announced two Working Days prior to the Bid/Offer Opening Date.

⁽⁵⁾ Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR

Notes to the Capital Structure

(1) Share capital history of our Company:

(a) Equity Share capital

The history of the equity share capital of our Company is set forth in the table below:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of the transaction	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name and relationship of allottees
October 8, 2008	10,000	10	10	100,000	Cash	Initial subscription to the MoA	10,000	100,000	Others: Allotment of 5,000 equity shares to Ajay Malpani and 5,000 equity shares to Vidyavati Malpani.
May 4, 2010	8,270,000	10	N.A.	N.A.	Other than cash	Allotment pursuant to the ABD Scheme	8,280,000	82,800,000	Others: Allotment of 2,030,600 equity shares to BDA Properties Private Limited, 1,929,000 equity shares to BDA Spirits Private Limited, 2,015,400 equity shares to Tracstar Properties Private Limited, 1,824,500 equity shares to Officer's Choice Spirits Private Limited, 410,500 equity shares to Deepak Roy as shareholders of M/s. Allied Blenders and Distilleries Private Limited; and allotment of 14,838 equity shares to BDA Properties Private Limited, 14,100 equity shares to BDA Spirits Private Limited, 14,730 equity shares to Tracstar Properties Private Limited, 13,332 equity shares to Officer's Choice Spirits Private Limited, and 3,000 equity shares to Deepak Roy as shareholders of Our Own Properties Private

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of the transaction	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name and relationship of allottees
									Limited, pursuant to an order of the High Court of Bombay dated February 5, 2010, sanctioning the transfer of the entire business undertakings of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited to our Company ("ABD Scheme").
December 7, 2010	500,000	10	100	50,000,000	Cash	Preferential Allotment	8,780,000	87,800,000	Others: Allotment of 475,000 equity shares to Erstwhile BKCEPL and 25,000 equity shares to Deepak Roy.
September 21, 2012	1,000,000	10	100	100,000,000	Cash	Preferential Allotment	9,780,000	97,800,000	Others: Allotment of 1,000,000 equity shares to Erstwhile BKCEPL.
January 18, 2016	2,000,000	10	155	310,000,000	Cash	Private Placement	11,780,000	117,800,000	Others: Allotment of 2,000,000 equity shares to Erstwhile BKCEPL.
June 27, 2017	333,333	10	N.A.	N.A.	Other than cash	Allotment pursuant to the TIPL Demerger	12,113,333	121,133,330	Promoters: Allotment of 113,333 equity shares to Oriental Radios Private Limited. Others: Allotment of 220,000 equity shares to Erstwhile BKCEPL pursuant to the TIPL Demerger.

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of the transaction	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name and relationship of allottees	
									<i>For further details, see "History and Certain Corporate Matters" on page 223.</i>	
September 29, 2017	35,000,000	10	N.A.	N.A.	N.A.	Allotment pursuant to conversion of OCCRPS	47,113,333	471,133,330	Promoters: <i>Allotment of 27,969 equity shares to Bina Chhabria Enterprises Private Limited</i> Others: <i>Allotment of 34,972,031 equity shares to Erstwhile BKCEPL.</i>	
July 30, 2018	46,510,231	10	N.A.	N.A.	Other than cash	Allotment pursuant to the Erstwhile BKCEPL Amalgamation*	47,113,333	471,133,330	Promoters: <i>Allotment of 23,255,080 equity shares to Bina Kishore Chhabria, 11,627,539 equity shares to Resham Chhabria Jeetendra Hemdev, and 73 equity shares to Bina Chhabria Enterprises Limited.</i> Promoter Group: <i>11,627,539 equity shares to Neesha Kishore Chhabria.</i> <i>For further details of the Erstwhile BKCEPL Amalgamation, see "History and Certain Corporate Matters" on page 223.</i>	
September 29, 2018	The Equity Shares of our Company were sub-divided, whereby the face value of the equity shares reduced from ₹ 10 per equity share to ₹ 2 per Equity Share Accordingly, the number of issued, subscribed and paid-up equity shares of our Company of 47,113,333 equity shares of face value of ₹ 10 per equity share were sub-divided into 235,566,665 Equity Shares of face value of ₹ 2 per Equity Share.							235,566,665	471,133,330	
June 20, 2022	8,547,000	2	117 [#]	N.A. [#]	N.A.	Allotment pursuant to the conversion of	244,113,665	488,227,330	Promoters:	

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of the transaction	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)	Name and relationship of allottees
						CCDs			Allotment of 8,547,000 Equity Shares to Oriental Radios Private Limited pursuant to conversion of 8,547,000 CCDs.

* Pursuant to the Erstwhile BKCEPL Amalgamation, the equity shares held by Erstwhile BKCEPL in our Company were cancelled, and subsequently, were allotted to shareholders of BKCEPL, hence there is no change in the cumulative shareholding of the Company.

#Our Board pursuant to its resolution dated June 20, 2022, approved the conversion of 8,547,000, CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share. Since, it is a conversion into Equity Shares, no consideration has been actually paid. For details of issue price at which CCDs were initially allotted to Oriental Radios Private Limited, see "Capital Structure – Notes to the Capital Structure – Share capital history of our Company – (c) 8.5% Compulsorily Convertible Debentures ("CCD")" on page 100.

(b) **Preference Shares**

Date of allotment	Number of Preference Shares allotted	Face value per Preference Share (₹)	Issue Price per Preference Share (₹) including Premium	Total Consideration(₹)	Nature of consideration	Nature of the transaction	Cumulative number of Preference Shares	Cumulative paid-up Preference Share capital (₹)	Name and relationship of allottees
15% Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 10 each ("OCCRPS")									
May 4, 2010	700,000	10	-	N.A.	Other than cash	Allotment pursuant to the ABD Scheme	700,000	7,000,000	Others: Allotment of 423,857 OCCRPS to Marengo Properties Private Limited, 198,174 OCCRPS to Beethoven Traders Private Limited, 50,000 OCCRPS to Darrel Traders Private Limited, and 27,969 OCCRPS to Stingray Traders Private Limited, pursuant to the ABD Scheme.
May 11, 2010	34,300,000	10	-	N.A.	N.A.	Bonus Issue	35,000,000	350,000,000	Bonus issue of 34,300,000 OCCRPS in the ratio 49:1 (49 OCCRPS for every one OCCRPS held by the OCCRPS shareholders) to the existing OCCRPS shareholders as on the record date being May 10, 2010.

Date of allotment	Number of Preference Shares allotted	Face value per Preference Share (₹)	Issue Price per Preference Share (₹) including Premium	Total Consideration(₹)	Nature of consideration	Nature of the transaction	Cumulative number of Preference Shares	Cumulative paid-up Preference Share capital (₹)	Name and relationship of allottees
September 29, 2017	(35,000,000)	10	N.A.	N.A.	N.A.	Conversion into equity shares	Nil	Nil	<p><i>Conversion of 35,000,000 OCCRPS to 35,000,000 equity shares of ₹10 each</i></p> <p>Promoters:</p> <p><i>Allotment of 27,969 equity shares to Bina Chabria Enterprises Private Limited</i></p> <p>Others:</p> <p><i>Allotment of 34,972,031 equity to Erstwhile BKCEPL.</i></p>
0.01% Non-Cumulative Convertible Preference Shares of ₹ 10 each (“NCCPS”)									
July 4, 2019	6,818,180	10	110	749,999,800	Cash	Private Placement	6,818,180	68,181,800	<p>Others:</p> <p><i>Allotment of 6,818,180 NCCPS to Ashoka Liquors Private Limited.</i></p>
July 8, 2021	(6,818,180)	10	110	749,999,800	Cash	Redemption out of profits	Nil	Nil	-

(c) **8.5% Compulsorily Convertible Debentures (“CCD”)**

Date of allotment	Number of CCDs allotted	Face value per CCD (₹)	Issue Price per CCD (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of the transaction	Cumulative number of CCDs	Cumulative paid-up CCDs (₹)	Name and relationship of allottees
July 27, 2021	8,547,000	117	117	999,999,000	Cash	Preferential allotment	8,547,000	999,999,000	Allotment of 8,547,000 CCDs to Oriental Radios Private Limited.
June 20, 2022	(8,547,000)	117 [#]	-	-	N.A.	Conversion to Equity Shares	Nil	Nil	<p>Conversion of 350,000 CCDs to 8,547,000 equity shares of ₹2 each.</p> <p>Promoters:</p> <p>Allotment of 8,547,000 Equity Shares to Oriental Radios Private Limited pursuant to conversion of 8,547,000 CCDs.</p>

[#] Our Board pursuant to its resolution dated June 20, 2022, approved the conversion of 8,547,000 CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share. Since, it is a conversion into Equity Shares, no consideration has been actually paid.

(2) **Equity Shares or Preference Shares issued for consideration other than cash or out of revaluation reserves:**

- (a) Our Company has not issued any Equity Shares or Preference Shares out of revaluation reserve since its incorporation.
- (b) Except as disclosed below our Company has not issued any Equity Shares or Preference Shares for consideration other than cash:

Date of allotment	Number of equity/ Preference Shares allotted	Face value per equity/ Share (₹)	Issue Price per equity/ Preference Share (₹) including Premium	Total Consideration (₹)	Nature of the transaction and reason for allotment	Name and relationship of allottees	Benefits accrued
Equity Shares							
May 4, 2010	8,270,000	10	-	N.A.	Allotment pursuant to the ABD Scheme	Others: Allotment of 2,030,600 equity shares to BDA Properties Private Limited, 1,929,000 to BDA Spirits Private Limited, 2,015,400 to	Pursuant to a scheme of amalgamation between Allied Blenders and Distillers Private Limited, Our Own Properties Private Limited and our Company, dated April 1, 2009, and an order of

Date of allotment	Number of equity/ Preference Shares allotted	Face value per equity/ Share (₹)	Issue Price per equity/ Preference Share (₹) including Premium	Total Consideration (₹)	Nature of the transaction and reason for allotment	Name and relationship of allottees	Benefits accrued
						<i>Tracstar Properties Private Limited, 1,824,500 equity shares to Officer's Choice Spirits Private Limited, 410,500 to Deepak Roy as shareholders of M/s. Allied Blenders and Distilleries Private Limited; and allotment of 14,838 to BDA Properties Private Limited, 14,100 to BDA Spirits Private Limited, 14,730 to Tracstar Properties Private Limited, 13,332 to Officer's Choice Spirits Private Limited, and 3,000 to Deepak Roy as shareholders of Our Own Properties Private Limited</i>	the Bombay High Court dated February 5, 2010, the entire business undertakings of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited were transferred to our Company.
June 27, 2017	333,333	10	-	N.A.	Allotment pursuant to the TIPL Demerger	<p>Promoters: <i>Allotment of 113,333 equity shares to Oriental Radios Private Limited.</i></p> <p>Others: <i>Allotment of 220,000 equity shares to Erstwhile BKCEPL pursuant to the TIPL Demerger.</i></p>	<p>Pursuant to the TIPL Demerger the bottle trading, and bottling and distilleries undertaking of TIPL, one of our group companies, was demerged into our Company.</p> <p>For further details, see “<i>History and Certain Corporate Matters</i>” on page 223.</p>
July 30, 2018	46,510,231	10	N.A.	N.A.	Allotment pursuant to the Erstwhile BKCEPL Amalgamation	<p>Promoters; <i>Allotment of 23,255,080 equity shares to Bina Kishore Chhabria, 11,627,539 equity shares to Resham Chhabria Jeetendra</i></p>	Pursuant to the Erstwhile BKCEPL Amalgamation, our then holding company, Erstwhile BKCEPL was merged into our Company, as a going concern.

Date of allotment	Number of equity/ Preference Shares/ Shares allotted	Face value per equity/ Share (₹)	Issue Price per equity/ Preference Share (₹) including Premium	Total Consideration (₹)	Nature of the transaction and reason for allotment	Name and relationship of allottees	Benefits accrued
						<p><i>Hemdev and 73 equity shares to Bina Chhabria Enterprises Limited</i></p> <p>Promoter Group:</p> <p><i>11,627,539 equity shares to Neesha Kishore Chhabria</i></p>	<p><i>For further details, see “History and Certain Corporate Matters” on page 223.</i></p>
15% Optionally Convertible Cumulative Redeemable Preference Shares of ₹ 10 each (“OCCRPS”)							
May 4, 2010	700,000	10		N.A.	Allotment pursuant to the ABD Scheme	<p>Others:</p> <p><i>Allotment of 423,857 preference shares to Marengo Properties Private Limited, 198,174 preference shares to Beethoven Traders Private Limited, 50,000 preference shares to Darrel Traders Private Limited, and 27,969 Stingray Traders Private Limited, pursuant the ABD Scheme.</i></p>	<p>Pursuant to a scheme of amalgamation between Allied Blenders and Distillers Private Limited, Our Own Properties Private Limited and our Company, dated April 1, 2009, and an order of the Bombay High Court dated February 5, 2010, the entire business undertakings of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited were transferred to our Company.</p>

- (3) Except as stated above, at “ - Equity Shares or Preference Shares issued for consideration other than cash or out of revaluation reserves” on page 101, our Company has not issued or allotted any Equity Shares or Preference Shares pursuant to schemes of arrangement approved under Sections 230 to 234 of the Companies Act, 2013, as applicable.
- (4) Except as disclosed below, our Company has not issued any Equity Shares or Preference Shares in the last one year preceding the date of this Draft Red Herring Prospectus.

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue Price per equity share (₹) including Premium	Total Consideration (₹)	Nature of consideration	Nature of the transaction	Name and relationship of allottees
June 20, 2022	8,547,000	2	117 [#]	N.A. [#]	N.A.	Allotment pursuant to the CCDs	Promoters: <i>Allotment of 8,547,000 equity shares to Oriental Radios Private Limited.</i>

[#] Our Board pursuant to its resolution dated June 20, 2022, approved the conversion of 8,547,000 CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share. Since, it is a conversion into Equity Shares, no consideration has been actually paid.

(5) Shareholding pattern of our Company

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying depository receipts (VI)	Total number of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				Number of shares underlying convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)	
								Number of Voting Rights						Total as a % of (A+B+C)	Number (a)	As a % of total Shares held (b)	Number (a)		As a % of total Shares held (b)
								Class e.g.: Equity Shares	Class e.g.: Others	Total	Total as a % of (A+B+C)								
(A)	Promoters and Promoter Group	7	244,113,665	-	-	244,113,665	100	244,113,665	-	244,113,665	100	-	-	-	-	-	244,113,665		
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Total	7	244,113,665	-	-	244,113,665	100	244,113,665	-	244,113,665	100	-	-	-	-	-	244,113,665		

(6) **Other details of shareholding of our Company**

As on the date of filing of this Draft Red Herring Prospectus, our Company has seven Shareholders. Kishore Rajaram Chhabria, one of our Promoters, does not hold any Equity Shares in the Company as on the date of this DRHP.

- a) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share Capital of our Company, on a fully diluted basis, as on the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Bina Kishore Chhabria	127,428,650	52.20
2.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05
3.	Neesha Kishore Chhabria	48,714,320	19.96
4.	Oriental Radios Private Limited	9,113,665	3.73
TOTAL		243,970,955	99.94

- b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share Capital of our Company, on a fully diluted basis, as of 10 days prior to the date of filing of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of Equity Share capital on a fully diluted basis (%)*
1.	Bina Kishore Chhabria	127,428,650	52.20
2.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05
3.	Neesha Kishore Chhabria	48,714,320	19.96
4.	Oriental Radios Private Limited	9,113,665	3.73
TOTAL		243,970,955	99.94

* The percentage of the pre-Offer Equity Share capital on a fully diluted basis has been calculated after including the 8,547,000 CCDs allotted to Oriental Radios Private Limited.

- c) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of the date one year prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the Equity Share capital on a fully diluted basis (%)*
1.	Bina Kishore Chhabria	117,428,650	48.45
2.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.22
3.	Neesha Kishore Chhabria	58,714,320	24.22
4.	Ashoka Liquors Private Limited	6,818,180	2.81
TOTAL		241,675,470	99.70

* The percentage of the pre-Offer Equity Share capital on a fully diluted basis has been calculated after including the 6,818,180 NCCPS allotted to Ashoka Liquors Private Limited.

- d) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of the date two years prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the Equity Share capital on a fully diluted basis (%)*
1.	Bina Kishore Chhabria	116,275,400	47.97
2.	Resham Chhabria Jeetendra Hemdev	58,137,695	23.99
3.	Neesha Kishore Chhabria	58,137,695	23.99
4.	Ashoka Liquors Private Limited	6,818,180	2.81
TOTAL		239,368,970	98.76

* The percentage of the pre-Offer Equity Share capital on a fully diluted basis has been calculated after including the 6,818,180 NCCPS allotted to Ashoka Liquors Private Limited.

(7) **Details of Shareholding of our Promoters, members of the Promoter Group in our Company**

As on the date of this Draft Red Herring Prospectus, our Promoters hold 195,399,345 Equity Shares, equivalent to 80.04% of the Equity Share Capital of our Company.

The build-up of the equity shareholding of our Promoters since incorporation of our Company is set forth in the table below.

Date of Allotment/ Transfer / Transmission of equity shares	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	No. of cumulative equity shares	Face value per equity share (₹)	Offer Price/ Transfer Price per equity share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
Kishore Rajaram Chhabria								
<i>Nil</i>								
Bina Kishore Chhabria								
July 30, 2018	Allotment pursuant to the Erstwhile BKCEPL Amalgamation	Other than cash	23,255,080	23,255,080	10	N.A.	47.63	[●]
September 29, 2018	The Equity Shares of our Company were sub-divided, whereby the face value of the equity shares reduced from ₹ 10 per equity share to ₹ 2 per Equity Share.							
October 12, 2020	Transfer of Equity Shares from Deepak Roy to Bina Kishore Chhabria	Cash	1,153,250	117,428,650	2	2	0.47	[●]
June 13, 2022	Gift of Equity Shares from Neesha Kishore Chhabria to Bina Kishore Chhabria	N.A.	10,000,000	127,428,650	2	N.A.	4.10	[●]
(A)	TOTAL			127,428,650			52.20	
Resham Chhabria Jeetendra Hemdev								
July 30, 2018	Allotment pursuant to the Erstwhile BKCEPL Amalgamation	Other than cash	11,627,539	11,627,539	10	N.A.	23.82	[●]
September 29, 2018	The Equity Shares of our Company were sub-divided, whereby the face value of the equity shares reduced from ₹ 10 per equity share to ₹ 2 per Equity Share.							
October 12, 2020	Transfer of Equity Shares from Deepak Roy to Resham Chhabria Jeetendra Hemdev	Cash	576,625	58,714,320	2	2	0.24	[●]
(B)	TOTAL			58,714,320			24.05	
Bina Chhabria Enterprises Private Limited								

Date of Allotment/ Transfer / Transmission of equity shares	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	No. of cumulative equity shares	Face value per equity share (₹)	Offer Price/ Transfer Price per equity share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
February 18, 2011	Transfer of equity shares from Erstwhile BKCEPL to Bina Chhabria Enterprises Private Limited	Cash	177	177	10	10	Negligible	[●]
September 29, 2017	Allotment pursuant to the conversion of OCCRPS	N.A.	27,969	28,146	10	N.A.	0.06	[●]
July 30, 2018	Allotment pursuant to the Erstwhile BKCEPL Amalgamation	Other than cash	73	28,219	10	N.A.	Negligible	[●]
September 29, 2018	The Equity Shares of our Company were sub-divided, whereby the face value of the equity shares reduced from ₹ 10 per equity share to ₹ 2 per Equity Share.							
June 3, 2022	Transfer of Equity Shares form Bina Chhabria Enterprises Limited to BKCEPL	Cash	(1)	141,094	2	750	Negligible	[●]
(D)	TOTAL			141,094			0.06	
<i>BKC Enterprises Private Limited</i>								
June 3, 2022	Transfer of Equity Shares form Bina Chhabria Enterprises Limited to BKCEPL	Cash	1	1	2	750	Negligible	[●]
(E)	TOTAL			1			Negligible	
<i>Oriental Radios Private Limited</i>								
June 27, 2017	Allotment pursuant to the TIPL Demerger	Other than cash	113,333	113,333	10	N.A.	0.23	[●]
September 29, 2018	The Equity Shares of our Company were sub-divided, whereby the face value of the equity shares reduced from ₹ 10 per equity share to ₹ 2 per Equity Share.							
June 20, 2022	Conversion of CCDs	N.A.	8,547,000	9,113,665	2	117^	3.50	[●]
(F)	TOTAL			9,113,665			3.73	
<i>Officer's Choice Spirits Private Limited</i>								

Date of Allotment/ Transfer / Transmission of equity shares	Nature of transaction	Nature of consideration	No. of equity shares allotted/ transferred	No. of cumulative equity shares	Face value per equity share (₹)	Offer Price/ Transfer Price per equity share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
February 18, 2011	Transfer of equity shares from Erstwhile BKCEPL to Officer's Choice Spirits Private Limited	Cash	323	323	10	10	Negligible	[●]
September 29, 2018	The Equity Shares of our Company were sub-divided, whereby the face value of the equity shares reduced from ₹ 10 per equity share to ₹ 2 per Equity Share.							
(G)	TOTAL			1,615			Negligible	
	TOTAL (A+B+C+D+E+F+G)			195,399,345			80.04	

*Subject to finalisation of Basis of Allotment.

^Our Board pursuant to its resolution dated June 20, 2022, approved the conversion of 8,547,000, CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share. Since, it is a conversion into Equity Shares, no consideration has been actually paid.

The entire shareholding of our Promoters is in dematerialised form as of the date of this Draft Red Herring Prospectus.

The details of the shareholding of our Promoters, and directors of our Corporate Promoters, as on the date of the Draft Red Herring Prospectus, are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer*	
		No. of Equity Shares	Percentage of the Equity Share Capital (%) on a fully diluted basis	No. of Equity Shares	Percentage of the Equity Share Capital (%) on a fully diluted basis*
Promoters					
1.	Kishore Rajaram Chhabria	Nil	-	-	-
2.	Bina Kishore Chhabria	127,428,650	52.20	[●]	[●]
3.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05	[●]	[●]
4.	Oriental Radios Private Limited	9,113,665	3.73	[●]	[●]
5.	Bina Chhabria Enterprises Private Limited	141,094	0.06	[●]	[●]
6.	Officer's Choice Spirits Private Limited	1,615	Negligible	[●]	[●]
7.	BKC Enterprises Private Limited	1	Negligible	[●]	[●]
TOTAL		195,399,345	80.04	[●]	[●]
Directors of our Corporate Promoters					
1.	Kishore Rajaram Chhabria	Nil	-	-	-
2.	Bina Kishore Chhabria	127,428,650	52.20	[●]	[●]
3.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05	[●]	[●]
4.	Neesha Kishore Chhabria	48,714,320	19.96	[●]	[●]
TOTAL		234,857,290	96.21	[●]	[●]

*Subject to finalisation of Basis of Allotment.

Except as disclosed below, the members of the Promoter Group (other than our Promoters) do not hold any Equity

Shares as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Pre-Offer		Post-Offer*	
		No. of Equity Shares	Percentage of the Equity Share Capital (%) on a fully diluted basis	No. of Equity Shares	Percentage of the Equity Share Capital (%) on a fully diluted basis
1	Neesha Kishore Chhabria	48,714,320	19.96	●	●
TOTAL		48,714,320	19.96	●	●

*Subject to finalisation of Basis of Allotment.

(8) Details of Promoters' contribution and lock-in

- Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the post-Offer Equity Share capital, except for the Equity Shares offered pursuant to the Offer for Sale, shall be locked in for a period of 18 months from the date of Allotment as minimum Promoters' contribution ("**Minimum Promoters' Contribution**") and the shareholding of the Promoters in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of six months from the date of Allotment.
- The Promoters have given consent, pursuant to their letters dated [●] to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution.
- Details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Minimum Promoters' Contribution are set forth in the table below*:

Name of Promoter	Number of Equity Shares locked-in	Date of allotment/transfer of Equity Shares and when made fully paid-up	Nature of transaction	Face value per Equity Share (₹)	Issue/Acquisition price per Equity Share (₹)	Percentage of the pre-Offer paid-up capital (%)	Percentage of the post-Offer paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
●	●	●	●	●	●	●	●	●
TOTAL					●	●	●	

*To be included in the Prospectus.

- Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 15 of the SEBI ICDR Regulations. For details of the build-up of the share capital held by our Promoter, see "*Details of Shareholding of our Promoters, members of the Promoter Group in our Company*" on page 106.
- In this connection, please note that:
 - The Equity Shares offered for Minimum Promoters' Contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and out of revaluation of assets or capitalisation of intangible assets, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Minimum Promoters' Contribution;
 - The Minimum Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
 - Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm; and
 - The Equity Shares offered for Minimum Promoters' Contribution are not subject to any pledge or any other encumbrance.

(9) Lock-in of remaining Equity Shares

The entire pre-Offer Equity Share capital of our Company (excluding those Equity Shares forming part of the Minimum Promoters' Contribution) shall be locked-in for a period of six months from the date of Allotment or such other minimum lock-in period as may be prescribed under the SEBI ICDR Regulations, except for the Equity Shares sold pursuant to the Offer for Sale or as permitted under the SEBI ICDR Regulations.

In addition to the above, any unsubscribed portion of the Offered Shares will be locked in, as required under the SEBI ICDR Regulations.

(10) Lock-in of Equity Shares Allotted to Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors will be locked-in for a period of 30 days from the date of Allotment, and the remaining 50% of Equity Shares Allotted to Anchor Investors will be locked-in for a period of 90 days from the date of Allotment.

(11) Recording on non-transferability of Equity Shares locked-in

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(12) Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan granted by a scheduled commercial bank, a public financial institution, NBFC-SI or a housing finance company, subject to the following:

- (i) With respect to the Equity Shares locked-in for six months from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan; and
- (ii) with respect to the Equity Shares locked-in as Promoters' Contribution for eighteen months from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in in terms of Regulation 16 of the SEBI ICDR Regulations, may be transferred to any member of our Promoter Group or a new promoter, subject to the continuation of lock-in in the hands of such transferee for the remaining period and compliance with provisions of the Takeover Regulations, as applicable.

Our Promoters have agreed not to transfer, sell, dispose, charge, create any pledge or any other type of encumbrance on the Minimum Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of such transferee for the remaining period and compliance with the applicable provisions of the Takeover Regulations, as applicable.

(13) As on the date of this Draft Red Herring Prospectus, our Company does not have an ESOP/ESOS Scheme.

(14) Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable,

directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

- (15) Except as disclosed below and under “*Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company*” on page 106, none of the members of the Promoter Group, our Promoters, directors of our Corporate Promoters, and / or our Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Date	Nature of transaction	Number of Equity Shares	Face value (₹)	Issue/ transaction price (₹)	Total consideration (₹)
June 3, 2022	Transfer of Equity Shares from Bina Chhabria Enterprises Private Limited to BKC Enterprises Private Limited	1	2	750	750
June 13, 2022	Gift of Equity Shares from Neesha Kishore Chhabria to Bina Kishore Chhabria	10,000,000	2	N.A.	N.A.
June 20, 2022	Allotment to Oriental Radios Private Limited pursuant to Conversion of CCDs.	8,547,000	2	117 [#]	N.A. [#]

[#]Our Board pursuant to its resolution dated June 20, 2022, approved the conversion of 8,547,000 CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share. Since, it is a conversion into Equity Shares, no consideration has been actually paid.

- (16) There have been no financing arrangements whereby our Promoter, directors of our Corporate Promoters, members of the Promoter Group, and / or our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.
- (17) All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- (18) As on the date of this Draft Red Herring Prospectus, the BRLMs, and their respective associates, as defined under the SEBI Merchant Bankers Regulations, do not hold any Equity Shares. The BRLMs and their associates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
- (19) Our Company shall ensure that any transaction in the securities of the Company by the Promoters and the members of the Promoter Group during the period between the date of filing of this Draft Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.
- (20) Our Company, our Promoters, our Directors and the BRLMs have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
- (21) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares as on the date of this Draft Red Herring Prospectus.
- (22) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- (23) Any oversubscription to the extent of 1% of the Offer size can be retained for the purposes of rounding off to the nearest multiple of minimum allotment lot while finalizing the Basis of Allotment.
- (24) Our Promoters and the members of our Promoter Group will not participate in the Offer, except to the extent of the sale of Offered Shares by way of Offer for Sale.

- (25) No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, our Directors, our Promoter, members of our Promoter Group or Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
- (26) Neither the (i) BRLMs or any associate of the BRLMs (other than mutual funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by entities which are associates of the BRLMs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs); nor (ii) any person related to the Promoters or Promoter Group can apply under the Anchor Investor Portion.
- (27) Except for the allotment of Equity Shares pursuant to the Pre-IPO Placement and the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges, or all application monies have been refunded, as the case may be.
- (28) Except as disclosed under “*Capital Structure - Notes to Capital Structure*” on page 96, our Company has not undertaken any public issue of securities or any rights issue of any kind or class of securities since its incorporation.
- (29) The details of the price at which Equity Shares were acquired in the three years preceding the filing of this Draft Red Herring Prospectus, by each of the Promoters, members of the Promoter group, Selling Shareholders, and Shareholders with the right to nominate Directors or any other rights are as follows:

S.No	Name of the Acquirer	Date of Acquisition of Equity Shares	Number of Shares Acquired	Acquisition Price per Equity Share (in ₹)*
Promoters				
1.	Bina Kishore Chhabria	October 12, 2020	1,153,250	2
2.	Resham Chhabria Jeetendra Hemdev	October 12, 2020	576,625	2
3.	BKC Enterprises Private Limited	June 3, 2022	1	750
4.	Bina Kishore Chhabria	June 13, 2022	10,000,000	Nil [#]
5.	Oriental Radios Private Limited	June 20, 2022	8,547,000	117 [^]
Promoter Group				
6.	Neesha Kishore Chhabria	October 12, 2020	576,625	2
Selling Shareholders				
7.	Bina Kishore Chhabria	October 12, 2020	1,153,250	2
8.	Resham Chhabria Jeetendra Hemdev	October 12, 2020	576,625	2
9.	Neesha Kishore Chhabria	October 12, 2020	576,625	2
10.	Bina Kishore Chhabria	June 13, 2022	10,000,000	Nil [#]
Shareholders with the right to nominate Directors or any other rights				
N.A.				

* As certified by S D T & Co, Chartered Accountants, by way of their certificate dated June 27, 2022.

[#] Bina Kishore Chhabria has acquired the 10,000,000 Equity Shares pursuant to a gift from Neesha Kishore Chhabria on June 13, 2022, and no consideration has been paid.

[^]Our Board pursuant to its resolution dated June 20, 2022, approved the conversion of 8,547,000 CCDs of face value of ₹117 each, into 8,547,000 Equity Shares of our Company at a premium of ₹115 per Equity Share. Since, it is a conversion into Equity Shares, no consideration has been actually paid.

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale by the Selling Shareholders.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency, including any bank or finance institutions.

Offer for Sale

Each of the Selling Shareholders will be entitled to the proceeds of the Offer for Sale after deducting their respective portion of the Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. For details of the Offer for Sale, see “*The Offer*” on page 76.

Fresh Issue

Requirement of funds

We propose to utilise the Net Proceeds towards funding the following objects:

1. Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company; and
2. General corporate purposes

(collectively, the “**Objects**”).

In addition, we expect to achieve the benefits of listing of our Equity Shares on the Stock Exchanges which, we believe, will result in the enhancement of our brand name and creation of a public market for our Equity Shares in India.

Proceeds of the Fresh Issue

The details of the proceeds of the Fresh Issue are set forth below:

<i>(In ₹ million)</i>	
Particulars	Amount [^]
Gross Proceeds of the Fresh Issue[^]	₹ 10,000
(Less) Offer related expenses in relation to the Fresh Issue [*]	[●]
Net Proceeds[*]	[●]

^{*}To be determined upon finalisation of the Offer Price and updated in the Prospectus prior to filing with the RoC.

[^]Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares or any other securities issued pursuant to the Pre-IPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer.

Schedule of Implementation, Utilisation and Deployment of Net Proceeds

We propose to utilise and deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

<i>(In ₹ million)</i>		
Particulars	Amount to be funded from Net Proceeds	Estimated deployment of Net Proceeds in Financial Year 2023
Prepayment or scheduled re-payment of a portion of certain outstanding borrowings availed by our Company	7,089.84	7,089.84
General corporate purposes [*]	[●]	[●]

Particulars	Amount to be funded from Net Proceeds	Estimated deployment of Net Proceeds in Financial Year 2023
Total*	●	●

**To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

The main objects clause and the objects incidental and ancillary to the main objects clause of our Memorandum of Association enables us to (i) to undertake our existing business activities; and (ii) undertake the activities for which the funds are being raised by us in the Fresh Issue.

The deployment of funds indicated above is based on management estimates, current circumstances of our business and prevailing market conditions, which may be subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. There may be variations in the actual utilization of funds earmarked for the purposes set forth above on account of various factors, such as financial and market conditions, competition, the COVID-19 pandemic, business and strategy and interest fluctuations owing to import of equipment and other external factors, which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds, or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For details, see “*Risk Factors – Internal Risk Factors – 49. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control*” on page 61.

Subject to applicable laws, in the event of any increase in the actual utilisation of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and/or debt arrangements from existing / future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations. If the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) economic and business conditions; (ii) the timing of completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws. For details, see “*Objects of the Offer – Variation in Objects*” and “*Risk Factors – Internal Risk Factors – 49. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control*” on page 61.

Details of the Objects of the Offer

1. Prepayment or scheduled repayment of a portion of certain outstanding borrowings availed by our Company

Our Company has entered into various borrowing arrangements for borrowings in the form of, working capital term facilities and term loans, among others. As on December 31, 2021, the total outstanding borrowings of our Company is ₹ 9,268.90 million. For details of these financing arrangements including indicative terms and conditions, see “*Financial Indebtedness*” on page 405.

Our Company intends to utilize ₹7,089.84 million from the Net Proceeds towards prepayment or scheduled repayment of all, or a portion, of the principal amount on certain loans availed by our Company, the details of which are listed out in the table below. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, along with interest and other related costs, will also be funded out of the Net Proceeds. In the event the Net Proceeds are insufficient for payment of pre-payment penalty, interest or other related costs, as applicable, such payment shall be made from the internal accruals of our Company.

Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Draft Red Herring Prospectus and/or draw down further funds under existing loans from time to time. Accordingly, in case any of the below loans are pre-paid or further drawn-down prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment / pre-payment of such additional indebtedness. In light of the above, if at the time of filing the Red Herring Prospectus, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company.

We believe that the prepayment or scheduled repayment of a portion of certain outstanding borrowings availed by us will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The amounts proposed to be prepaid and / or repaid against each borrowing facility below is indicative and our Company may utilize the Net Proceeds to prepay and / or repay the facilities disclosed below in accordance with commercial considerations, including amounts outstanding at the time of prepayment and / or repayment. For details, see “*Financial Indebtedness*” on page 405.

The details of the outstanding loans proposed for repayment or prepayment, in full or in part from the Net Proceeds are set forth below:

Sr No	Name of the lender	Nature of Borrowing and date of the Sanction Letter/Document ⁽²⁾	Rate of interest (% per annum)	Amount sanctioned (₹ in million)	Total outstanding amount (Principal Amount) as on December 31, 2021 (₹ in million) ⁽²⁾	Repayment Schedule	Prepayment penalty, if any	Purpose of loan ⁽¹⁾⁽²⁾
1.	Axis Bank Limited*	Working capital demand loan pursuant to sanction letters dated December 21, 2021	CC-10.60 WCDL-10.40	500.00	445.34	Repayable on demand	As stipulated by the Bank	Working capital requirements.
2.	State Bank of India	Working capital demand loan pursuant to sanction letter October 15, 2021	CC-16.55 WCDL-15.45	750.00	671.44	Repayable on demand	NIL	Working capital requirements.
3.	Yes Bank Limited	Working capital demand loan pursuant to Sanction Letter dated January 29, 2021	CC-10.90 WCDL-11.20	550.00	526.37	Repayable on demand	NIL	Working capital requirements.
4.	South Indian Bank	Working capital demand loan pursuant to Sanction letter dated March 20, 2021.	13.00	453.60	450.94	Repayable on demand	Waived if pre-closure is done after 1 year from disbursement and closed by way of internal accrual or IPO proceeds	Working capital requirements.
5.	Saraswat Co-operative Bank Ltd.	Working capital demand loan pursuant to Sanction Letter June 28, 2021	10.85	400.00	399.75	Repayable on demand	2% of the outstanding amount for term loans/ corporate loans / other commercial loans and on the sanctioned limit of fund based working capital limits at the time of prepayment if the prepayment is not from the cash generated from the business or from own funds.	Working capital requirements.
6.	IDFC First Bank	Working capital demand loan pursuant to Sanction Letter dated September 24, 2021	CC-10.55 WCDL-10.15	200.00	129.93	Repayable on demand	NIL	Working capital requirements.
		Sales bill discounting pursuant to Sanction Letter September 24, 2021	10.15	1,800.00	1,794.93	Realisation on or before due date	NIL	Working capital – sale invoice finance
7.	IndusInd Bank Limited	Working capital demand loan pursuant to Sanction letter November 12, 2021.	8.90	160.00	100.00	Repayable on demand	2% of the outstanding amount, upto 1 year of 1st disbursement through any means. 1% incase	Working capital requirements.

							of prepayment through take over from any Bank /FY. After 1 year of loan disbursement till residual loan tenor. However, no prepayment penalty to be levied if paid out of IPO / Pvt equity/ Promoter infusion / Internal accruals post first year of tenor of term loan	
		Indian rupee term loan pursuant to Multi Facility Agreement dated May 25, 2018 and sanction letter dated April 6, 2018.	9.10	300.00	279.31	Payable in 20 equal quarterly instalments	2% of the outstanding amount, upto 1 year of 1st disbursement through any means. 1% incase of prepayment through take over from any Bank /FY. After 1 year of loan disbursement till residual loan tenor. However, no prepayment penalty to be levied if paid out of IPO / Pvt equity/ Promoter infusion / Internal accruals post first year of tenor of term loan	Working capital requirements
		Indian rupee term loan pursuant to Multi Facility Agreement dated May 25, 2018 and sanction letter dated April 6, 2018.	8.90	792.20	246.99	Payable in equal quarterly instalments	2% of the outstanding amount, upto 1 year of 1 st disbursement through any means. 1% incase of prepayment through take over from any Bank /FY. After 1 year of loan disbursement till residual loan tenor. However, no prepayment penalty to be levied if paid out of IPO / Pvt equity/ Promoter infusion / Internal accruals post first year of tenor of term loan.	Takeover of outstanding term loan limit from Yes Bank Limited.
		Sales bill discounting pursuant to Sanction letter dated November 12, 2021	8.90	657.20	644.93	Repayable on Demand	2% of the outstanding amount, upto 1 year of 1st disbursement through any means. 1% incase of prepayment through take over from any Bank /FY. After 1 year of loan disbursement till residual loan tenor. However, no prepayment penalty to be levied if paid out of IPO / Pvt equity/ Promoter infusion / Internal	Working capital requirements and towards discounting invoices raised on West Bengal State Beverages Corporation and Andhra Beverages Corporation Limited

							accruals post first year of tenor of term loan	
8.	Aditya Birla Finance Limited	Indian rupee term loan pursuant to Sanction letters dated March 25, 2019 and March 26, 2019; Amendment letter dated March 25, 2019; and Loan Agreement dated April 15, 2019 and Supplementary Agreement dated September 16, 2019	9.25	500.00	452.96	Payable in 121 monthly instalments	2% of outstanding amount within 6 months of disbursement; Further, to be waived in case of repayment from IPO proceeds/dilution of equity	Working capital requirements
		Indian rupee term loan pursuant to Sanction letters dated December 12, 2018; March 25, 2019 and March 26, 2019; Amendment letter dated March 25, 2019; and Loan Agreement dated January 9, 2019	9.25	650.00	452.41	Payable in 85 monthly instalments	2% of outstanding amount within 6 months of disbursement; Further, to be waived in case of repayment from IPO proceeds/dilution of equity)	To take over of loan from PNB Housing Finance, and South Indian Bank and Working capital requirements
9.	SVC Co-operative Bank Limited	Indian rupee term loans from banks pursuant to Sanction Letter dated 18 January 2021; Amendment Sanction Letter dated February 16, 2021; and Loan Agreement dated 26 February 2021	9.75	500.00	494.54	Payable in 60 principal monthly instalments after initial moratorium of 18 months	3 % pre-payment penalty for the first eighteen months from the date of first disbursement and 1% thereafter, if the facility is prepaid / taken over by any bank/ financial institution.	Asset Finance Term Loan
10.	Total	-	-	-	7089.84	-	-	-

⁽¹⁾ In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed, our Statutory Auditors have confirmed that the loans have been utilised for the purpose for which it was availed pursuant to certificate dated June 24, 2022.

⁽²⁾ As certified by the Statutory Auditors of the Company, vide their certificate dated June 24, 2022.

*Axis Capital Limited is appointed as the Book Running Lead Manager to the Offer and is an associate of our lenders, namely Axis Bank Limited. However, on account of this relationship, Axis Capital Limited does not qualify as an associate of our Company in terms of Regulations 21(A)(1) of the SEBI Merchant Bankers Regulations and read with Regulation 23(3) of the SEBI ICDR Regulations. Further, in this connection, please note that the loan provided by Axis Bank Limited to our Company, is part of their ordinary course of lending business. Accordingly, we do not believe that there is any conflict of interest in terms of the SEBI Merchant Bankers Regulations, as amended, or any other applicable SEBI regulations.

2. General Corporate Purposes

We propose to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which we propose to utilise the Net Proceeds include meeting day to day expenses, long term or short term working capital requirements, advertisement and promotional activities for our brands, investment in our subsidiaries, other activities in the ordinary course of business, as may be decided by the Company. In addition to the above, we may utilise the Net Proceeds towards other expenditure in the ordinary course of business, as considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including the necessary provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount available under this head and our business requirements, from time to time. Our management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any.

Means of Finance

The funding requirements for the Objects of the Offer are proposed to be funded either from the Net Proceeds or through internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations. We may vary the Objects in the manner provided in “*Objects of the Offer – Variation in Objects*” on page 124.

Interim use of Net Proceeds

We, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with the Companies Act, 2013, we confirm that we shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

We have not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ [●] million. The Offer related expenses consist of listing fees, underwriting fees, selling commission and brokerage, fees payable to the BRLMs, legal counsels, Registrar to the Offer, Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank, Refund Bank including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing our Equity Shares on the Stock Exchanges.

Other than (i) listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which shall be borne solely by the Company and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees and expenses for the legal counsel to the Selling Shareholders which shall be borne solely by the respective Selling Shareholders, the Company and each of the Selling Shareholders shall share the costs and expenses (including all applicable taxes) directly attributable to the Offer (including fees and expenses of the Book Running Lead Managers, legal counsel and other intermediaries, advertising and marketing expenses (other than corporate

advertisements expenses undertaken in the ordinary course of business by the Company), printing, underwriting commission, procurement commission (if any), brokerage and selling commission and payment of fees and charges to various regulators in relation to the Offer) in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale. The Company shall advance the cost and expenses of the Offer and the Company will be reimbursed by each of the Selling Shareholders jointly and severally for its respective proportion of such costs and expenses upon successful completion of the Offer. Provided that, in the event any of the Selling Shareholders withdraws or abandons the Offer at any stage prior to the completion of the Offer, or if the Offer fails or is withdrawn, abandoned or terminated for any reason whatsoever, all costs, charges, fees and expenses incurred in connection with the Offer shall be borne amongst the Company and the Selling Shareholders, as mutually agreed amongst them.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses ⁽¹⁾ (₹ in million)	As a % of total estimated Offer related expenses ⁽¹⁾	As a % of Offer size ⁽¹⁾
Fees payable to the BRLMs including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs (2)(3)(4)(5)(6)(7)	[●]	[●]	[●]
Listing fees, SEBI filing fees, upload fees, BSE & NSE processing fees, book building software fees and other regulatory expenses			
Others (Fees for the legal counsel, Statutory Auditor, Independent Chartered Engineer, and the Independent Chartered Accountant appointed for the purpose of the Offer, etc.)	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) Amounts will be finalised and incorporated in the Prospectus on determination of the Offer Price.

(2) Selling commission payable to the SCSBs on the portion of Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Employees bidding in the Employee Reservation Portion*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted (plus applicable taxes)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

No additional bidding charges shall be payable by the Company and Selling Shareholders to the SCSBs on the applications directly procured by them

(3) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to SCSB for blocking would be as follows:

Portion for Retail Individual Bidders*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Employees bidding in the Employee Reservation Portion*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted (plus applicable taxes)

* For each valid application

(4) Selling commission on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by

Syndicate Member (including their sub Syndicate Members) would be as follows:

Portion for Retail Individual Bidders*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Eligible Employees bidding in the Employee Reservation Portion*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted (plus applicable taxes)

* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

(5) Selling commission on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Bidders which are procured by the Registered Brokers, RTAs/CDPs would be as follows:

Portion for Retail Individual Bidders*	₹ [●] per valid application (plus applicable taxes)
Portion for Eligible Employees bidding in the Employee Reservation Portion*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●] per valid application (plus applicable taxes)

* Based on valid applications.

* Amount of selling commission payable to Registered Brokers, RTAs/CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which RTAs/CDPs the commission is payable to, the terminal from which the bid has been uploaded will be taken into account. The bidding charges payable shall be subject to total commission payable being maximum of ₹ [●] plus applicable taxes.

(6) The Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows

Payable to Members of the Syndicate including their sub-Syndicate Members)/ RTAs / CDPs	₹ [●] per valid application (plus applicable taxes)
Sponsor Bank	₹ [●] per valid Bid cum Application Form* (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.

(7) The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular No: . SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company will appoint a monitoring agency for monitoring the utilisation of the Net Proceeds, including the proceeds proposed to be utilised towards general corporate purposes. Our Audit Committee and the monitoring agency will monitor the utilisation of the Net Proceeds and submit the report required under Regulation 41(2) of the SEBI ICDR Regulations until such time as the Net Proceeds have been utilised in full.

Our Company will disclose the utilisation of the Net Proceeds, including interim use, under a separate head in our balance sheet for such fiscals as required under the SEBI ICDR Regulations and the SEBI Listing Regulations, until such time as the Net Proceeds remain unutilised clearly specifying the purposes for which the Net Proceeds have been utilised. Our Company will also, in its balance sheet for the applicable Financial Years, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such unutilised Net Proceeds, subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. The Audit Committee will make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual

financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. Further, in accordance with Regulation 32(6) of the SEBI Listing Regulations, our Company shall submit to the Stock Exchanges any comments or report received from the Monitoring Agency within 45 days from the end of each quarter.

Variation in Objects

In accordance with the Companies Act, 2013, and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the Objects of the Fresh Issue without being authorised to do so by our Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013 and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the regional language of the jurisdiction where our Registered Office is located. In accordance with the Companies Act, 2013, our Promoter will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and the SEBI ICDR Regulations.

Other Confirmations

Except to the extent of the proceeds received pursuant to the Offer for Sale, no part of the Net Proceeds will be paid by our Company to our Promoters, Promoter Group, our Directors, our Key Managerial Personnel or our Group Companies. Except in the normal course of business, in compliance with applicable law, and as disclosed in this Draft Red Herring Prospectus (including as disclosed on page 269 in the section "*Group Companies*") there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, Promoter Group, our Directors, our Key Managerial Personnel or our Group Companies.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price of the Price Band. Bidders should also see “Our Business”, “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 178, 34, 362 and 272, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- Among the largest IMFL company in India with a diversified and contemporary product portfolio;
- Strong brand recognition;
- Strategically located, large scale and advanced manufacturing facilities with a sophisticated research and development centre;
- Access to extensive pan-India distribution network with ability to scale; and
- Well-positioned to capture tailwinds in the Indian IMFL industry.

For details, see “Our Business – Our Strengths” on page 180.

Quantitative Factors

Some of the information presented below relating to our Company is derived from the Other Financial Information. For details, see “Other Financial Information” on page 359.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and Diluted Earnings Per Share (“EPS”) at face value of ₹ 2, as adjusted for change in capital:

Financial year/period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2021	0.11	0.10	3
March 31, 2020	0.54	0.53	2
March 31, 2019	0.65	0.65	1
Weighted average	0.34	0.34	
Nine month period ended December 31, 2021 [#]	0.14	0.14	

[#] Not annualised

⁽¹⁾ Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.

⁽²⁾ The face value of each Equity Share is ₹ 2.

⁽³⁾ Basic EPS (₹) = Basic earnings per share are calculated by dividing the net restated profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/period.

⁽⁴⁾ Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the net restated profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the year/period as adjusted for the effects of all dilutive potential Equity Shares outstanding during the year/period.

⁽⁵⁾ Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

⁽⁶⁾ Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’.

B. Price/Earning (“P/E”) ratio in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS for year ended March 31, 2021	●	●
Based on diluted EPS for year ended March 31, 2021	●	●

C. Industry P/E ratio*

Particulars	Industry P/E
Highest	66.06
Lowest	14.90
Average	40.74

*Source: The highest, lowest and average Industry P/E shown above is based on the industry peer set provided below under “Comparison with Listed Industry Peers” on page 127.

D. Return on Net Worth (“RoNW”) as adjusted for change in capital:

Financial year/ period ended	RoNW (%)	Weight
March 31, 2021	0.66	3
March 31, 2020	3.37	2
March 31, 2019	5.21	1
Weighted Average	2.32	
Nine month period ended December 31, 2021 [#]	0.81	

[#]Not annualised

Notes:

- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- Return on Net Worth (%) = Net Profit after tax attributable to owners of the parent, as restated / Restated net worth at the end of the year/period.
- ‘Net worth’ under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- Return on net worth for the nine months ended December 31, 2021, is not annualized

E. Net Asset Value (“NAV”) per equity share, as adjusted for change in capital:

NAV per Equity Share	(in ₹)
As on December 31, 2021	16.64
As on March 31, 2021	15.75
At Floor Price	●
At Cap Price	●
At Offer Price	●

Notes:

- Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information / Number of equity shares outstanding as at the end of year/period.
- NAV per Equity Share = Net worth at the end of the year / Number of equity shares outstanding (on fully diluted basis) during the year after considering the impact of bonus and sub-divided shares.
- ‘Net worth’ under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on March 31, 2019; 2020 and 2021 in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

(iv) Net Asset value per equity share has been computed after considering the impact of convertible securities.

F. Comparison with Listed Industry Peers

Following is the comparison with our peer group companies listed in India and in the same line of business as our Company:

Name of the Companies	Total Income (₹ million)	Face Value per equity share (₹)	Closing Price as on June 8, 2022	P/E as on June 8, 2022	EPS (Basic) (₹)	EPS (Diluted) (₹)	Return on Net Worth (%)	NAV per Equity Share (₹)
Fiscal 2022								
Allied Blenders and Distillers Limited (Company)*	[●]	2	[●]	[●]	[●]	[●]	[●]	[●]
Listed Peers								
United Spirits Limited	3,10,973.00	2	771.55	66.06	11.68	11.68	16.63	67.09
Radico Khaitan Limited	1,24,779.30	2	813.00	41.27	19.70	19.70	12.44	149.46
Globus Spirits Limited	23,504.62	10	968.35	14.90	65.01	65.01	24.25	268.14
Fiscal 2021								
Allied Blenders and Distillers Limited (Company)*	63,978.12	2	N.A.	N.A.	0.11	0.10	0.66	15.75
Listed Peers								
United Spirits Limited	2,74,581.00	2	771.55	142.62	5.41	5.41	8.92	55.86
Radico Khaitan Limited	1,05,180.01	2	813.00	39.20	20.75	20.74	14.75	134.23
Globus Spirits Limited	16,786.90	10	968.35	19.37	50.00	50.00	24.38	205.10

*Sourced from the Restated Consolidated Financial Information.

Notes:

- (1) Diluted EPS refers to the Diluted EPS sourced from the annual report of the peers for the year ended March 31, 2022 and for the year ended March 31, 2021.
- (2) P/E Ratio has been computed based on the closing market price of equity shares on June 08, 2022 at NSE, divided by the Diluted EPS provided under Note 1 above.
- (3) RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) - divided by closing net worth. Net worth has been computed as sum of paid-up share capital and other equity.
- (4) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
- (5) Listed Peers are as identified by the management.
- (6) All the financial information for listed industry peer mentioned above is on a consolidated/standalone basis and is sourced from the audited financial results of the company for the year ended March 31, 2022 and the year ended March 31, 2021 available on the website of BSE.

G. The Offer Price is [●] times the face value of the Equity Shares

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Other Financial Information” on pages 34, 178, 362 and 359, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 34 and you may lose all or part of your investment.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors

Allied Blenders and Distillers Limited (formerly known as Allied Blenders and Distillers Private Limited)

Ashford Centre, 3rd and 4th floor,

Shankarrao Naram Marg,

Lower Parel (West)

Mumbai – 400 013

Maharashtra, India

Statement of Possible Special Tax Benefits available to the Company and its shareholders under the applicable direct tax laws in India

Proposed initial public offering of equity shares (“Offer”) by Allied Blenders and Distillers Limited (formerly known as Allied Blenders and Distillers Private Limited) (the “Issuer”/” Company”).

1. This report is issued in accordance with the terms of our engagement letter dated 15 March 2022.
2. The accompanying Statement of Possible Special Tax Benefits as available to the Company and its shareholders [(hereinafter referred to as “the Statement”) under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2022 (hereinafter referred to as the "Indian Income Tax Regulations"), has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

Management’s Responsibility

3. The preparation of this Statement as on the date of our report which is to be included in the Draft Red Herring Prospectus is the responsibility of the management of the Company and has been approved by the Executive Committee of the Board of Directors of the Company at its meeting held on June 23 2022 for the purpose set out in paragraph 11 below. The management's responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and presentation of the Statement, applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor’s Responsibility

4. Our work has been carried out in accordance with the Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the ‘SEBI ICDR Regulations’) and the Companies Act 2013 (‘Act’), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available as on 23 June 2022 to the Company and its shareholders under Indian Income Tax Regulations as at the date of our report.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.
7. It is imperative to note that we have relied upon the representation of the Management of the Company confirming that it has no material subsidiary as on the given date.

8. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the SEBI ICDR Regulations in connection with the Offering.

Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive and do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. Given the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her tax consultant for the specific tax implications arising out of their participation in the Offer.

Further, we give no assurance that the revenue authorities/ courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations, and their interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as on the date of signing of this report, to the Company and its shareholders under the Indian Income Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) the Company or its shareholders will continue to obtain the benefits per the Statement in future; or
- (ii) the conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restrictions on Use

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

Huned Contractor

Partner

Membership No.: 41456

UDIN: 22041456ALOVZZ6721

Date 24 June 2022

Place: Mumbai

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO ALLIED BLENTERS AND DISTILLERS LIMITED (FORMERLY KNOWN AS ALLIED BLENTERS AND DISTILLERS PRIVATE LIMITED) AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT TAX LAWS IN INDIA.

A. Direct Taxation

Benefits available to Allied Blenders and Distillers Limited (“the Company”) and the Shareholders of the Company under the Income-tax Act, 1961 (“the Act”) (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2022, (hereinafter referred to as “Indian Income Tax Regulations”):

1 Special Tax Benefits available to the Company

a) As per Section 2 of chapter II of Finance Act, 2022 (Rates of Income-tax), Income-tax shall be charged at the rates specified in Part I of the First Schedule. Since the Company’s turnover is greater than INR 400 crore in the previous year 2019-20, it will be liable to pay tax at the rate of 30% (plus applicable surcharge and health and education cess) on the total income for Assessment Year (“AY”) 2020-21.

Further, the Company has an option under Section 115BAA of the Act to opt for reduced tax rate of 22% (plus applicable surcharge and health and education cess) subject to fulfillment of certain conditions specified in the said Section. Such option once exercised shall apply to all subsequent assessment years. Where such an option is exercised, the Company will not be allowed to claim any of the following deductions/exemptions:

- (i) Deduction under Section 10AA of the Act (deduction for units in Special Economic Zone);
- (ii) Deduction under clause (iia) of sub-section (1) of Section 32 of the Act (Additional depreciation);
- (iii) Deduction under Section 32AD, Section 33AB, or Section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund);
- (iv) Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 of the Act (Expenditure on scientific research);
- (v) Deduction under Section 35AD or Section 35CCC of the Act (Deduction for specified business, agricultural extension project);
- (vi) Deduction under Section 35CCD of the Act (Expenditure on skill development);
- (vii) Deduction under any provisions of Chapter VI-A other than of Section 80JJAA or Section 80M of the Act;
- (viii) Deduction under Section 80LA of the Act other than deduction applicable to a unit in the International Financial Services Centre, as referred to in sub-section (1A) of Section 80LA of the Act;
- (ix) No set off of any loss brought forward or unabsorbed depreciation from any earlier assessment year(s), if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (viii) above; and
- (x) No set off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A of the Act, if such loss or depreciation is attributable to any of the deductions referred from clause (i) to (viii) above.

Additionally, the provisions of Section 115JB of the Act i.e. MAT shall not apply to the Company on exercise of the option under Section 115BAA of the Act, as specified under sub-section (5A) of Section 115JB of the Act. The Company is also required to submit the prescribed form with the Income-tax authorities within the specified due date for filing Income-tax return.

It is pertinent to note that in case where a Company does not opt for the lower tax rate, the Company would be liable to pay tax at the rate of 30% (plus applicable surcharge and health and education cess).

- b) Under Section 80JJAA of the Act, the Company is entitled to a deduction of an amount equal to thirty per cent in respect of additional employee cost (relating to specified category of employees) incurred during the previous year. Such deduction is available for a period of three assessment years effective from the year in which such employment is provided. The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of Section 80JJAA of the Act. In addition, the Company is required to submit the prescribed form with the Income-tax authorities within the specified due date.
- c) As per Section 80M of the Act, dividend received by the Company from any other domestic company, or a foreign company shall be eligible for deduction while computing its total income for the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company upto one month prior to the date of filing of its Income-tax return for the relevant year. Since the Company has investments in Indian subsidiaries and other companies, it can avail of the above-mentioned benefit under Section 80M of the Act.
- d) As per provisions of Section 32(1)(iia) of the Act, a company engaged in a specified business can avail additional depreciation equal to 20% of the actual cost of eligible new plant and machinery acquired and installed by it. The Company being engaged in a specified business claims additional depreciation on eligible assets.

- e) As per the provisions of Section 35D of the Act, the Company may be entitled to amortize preliminary expenditure, being specific expenditure incurred in connection with the issue for public subscription or being other expenditure as prescribed under this Section. This is subject to the specified limit under the Act i.e. maximum 5% of the cost of the project or 5% of the capital employed in the business of the company. The deduction is allowable for an amount equal to one-fifth of such expenditure for each of five successive previous years beginning with the previous year in which the business commences or as the case may be, the previous year in which the extension of the undertaking is completed, or the new unit commences production or operation.
- f) In accordance with the provisions of Section 35DD of the Act, where a company incurs any expenditure wholly and exclusively for the purposes of amalgamation or demerger of an undertaking, the company shall be allowed a deduction of an amount equal to one-fifth of such expenditure for each of the five successive years beginning with the year in which amalgamation or demerger takes place.
Pursuant to the approval of the Scheme of Arrangement for Amalgamation (“Amalgamation scheme”) between the Company and certain other entities, the Company is entitled to claim a deduction of expenses related to such amalgamation in five equal instalments.

2 Special Tax Benefits available to the Shareholders of the Company

- a) Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of a domestic corporate shareholder, benefit of deduction under Section 80M of the Act would be available on fulfilling the conditions (as discussed in 1(c) above).
In case of the shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, the surcharge would be restricted to 15%, irrespective of the amount of dividend.
Further, the shareholders would be entitled to take credit of the Tax Deducted at Source, if any, by the Company against the taxes payable by them.
- b) As per Section 112A of the Act, long-term capital gains arising from the transfer of an equity share on which securities transaction tax ("STT") is paid at the time of acquisition and sale, shall be taxed at the rate of 10% (without indexation) (plus applicable surcharge and health and education cess) of such capital gains. This is subject to fulfilment of prescribed additional conditions as per Notification No. 60/2018/F. No.370142/9/2017-TPL dated 01 October 2018. It is worthwhile to note that tax shall be levied where such aggregate capital gains exceed INR 1,00,000/- in a year.
Further, the Finance Act 2022 restricts surcharge to 15% in respect of long-term capital gain arising from any capital asset.
- c) As per Section 111A of the Act, short-term capital gains arising from the transfer of an equity share on which STT has been paid at the time of sale shall be taxed at the rate of 15% (plus applicable surcharge and health and education cess).
- d) As per Section 90(2) of the Act, non-resident shareholders will be entitled to be governed by the beneficial provisions under the respective Double Taxation Avoidance Agreement ("DTAA"), if any, applicable to such non-residents. This is subject to fulfilment of conditions prescribed to avail treaty benefits.
Further, any income by way of capital gains accruing to non-residents may be subject to withholding tax per the provisions of the Act or under the relevant DTAA, whichever is beneficial. However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders may be able to avail credit for any taxes paid by them in India, subject to local laws of the country in which such shareholder is resident.

Notes:

1. These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indian Income Tax Regulation. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.
2. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. Given the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her tax consultant for the specific tax implications arising out of their participation in the issue.

3. The Statement has been prepared on the basis that the shares of the Company are proposed to be listed on a recognized stock exchange in India.
4. The Statement is prepared based on information available with the Management of the Company and there is no assurance that:
 - i. the Company or its shareholders will continue to obtain these benefits in future;
 - ii. the conditions prescribed for availing the benefits have been/ would be met with; and
 - iii. the revenue authorities/courts will concur with the view expressed herein.
5. The above views are based on the existing provisions of laws and its interpretation, which are subject to change from time to time.

For and on behalf of Allied Blenders and Distillers Limited (formerly known as Allied Blenders and Distillers Private Limited)

Ramakrishnan Ramaswamy

Chief Financial Officer (CFO)

Place: Mumbai

Date: June 24 2022

To,
The Board of Directors
Allied Blenders and Distillers Limited (formerly known as Allied Blenders and Distillers Private Limited)
Ashford Centre, 3rd and 4th floor,
Shankarrao Naram Marg,
Lower Parel (West)
Mumbai – 400 013
Maharashtra, India

Statement of Possible Special Tax Benefits available to the Company and its shareholders under the applicable indirect tax laws in India

Proposed initial public offering of equity shares (“Offer”) by Allied Blenders and Distillers Limited (formerly known as Allied Blenders and Distillers Private Limited) (the “Issuer”/” Company”).

1. This report is issued in accordance with the terms of our engagement letter dated 15 March 2022.
2. The accompanying Statement of Possible Special Indirect Tax Benefits available to the Company and its Shareholders (hereinafter referred to as “the Statement”), under the Central Goods and Services Tax Act, 2017 (read with Central Goods and Services Tax Rules, circulars, notifications and schemes), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications and schemes), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), Goods and Services Tax (Compensation to States) Act, 2017 (read with Goods and Services Tax (Compensation to States) circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications and schemes) (together referred to as “Indian Indirect Tax Regulations”), has been prepared by the management of the Company in connection with the proposed Offer, which we have initialed for identification purposes.

Management’s Responsibility

3. The preparation of this Statement as of the date of our report which is to be included in the DRHP is the responsibility of the management of the Company and has been approved by Executive Committee of the Board of Directors of the Company at its meeting held on 23 June 2022 for the purpose set out in paragraph 11 below. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditor’s Responsibility

4. Our work has been carried out in accordance with the Standards on Auditing, the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
5. Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (the ‘SEBI ICDR Regulations’) and the Companies Act 2013 (the ‘Act’), it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company and its shareholders in accordance with Indian Indirect Tax Regulations as at the date of our report.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

7. It is imperative to note that we have relied upon a representation from the Management of the Company confirming that it has no material subsidiary as on the given date.
8. Our work is performed solely to assist the Management in meeting their responsibilities in relation to compliance with the Act and the SEBI ICDR Regulations in connection with the Offer.

Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.
Several of the benefits mentioned in the accompanying Statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying Statement are not exhaustive and also do not cover any general tax benefits available to the Company.
The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.
Further, we give no assurance that the revenue authorities/ courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Indirect Tax Regulations and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

10. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special indirect tax benefits available as on the date of signing of this report, to the Company and its shareholders, in accordance with the Indian Indirect Tax Regulations
Considering the matter referred to in paragraph 9 above, we are unable to express any opinion or provide any assurance as to whether:
 - (i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
 - (ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restriction on Use

11. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus, prepared in connection with the Offer to be filed by the Company with the Securities and Exchange Board of India and the concerned stock exchanges.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Huned Contractor
Partner
Membership No.: 41456
UDIN: 22041456ALOWHU1670

Place: Mumbai
Date: 24 June 2022

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO ALLIED BLENDERS AND DISTILLERS LIMITED (FORMERLY KNOWN AS ALLIED BLENDERS AND DISTILLERS PRIVATE LIMITED) (“THE COMPANY”) AND ITS SHAREHOLDERS

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 (“GST law”), the Customs Act, 1962, Customs Tariff Act, 1975 (“Customs law”), Foreign Trade Policy 2015-2020 (“FTP”), State Value Added Tax (VAT), Central Sales Tax Act and State Excise Duty Acts (collectively referred as “Indirect Tax Regulations”) read with Rules, Circulars, and Notifications.

I. Special tax benefits available to the Company

1. Benefits under The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20)

Remission of duties and taxes on Exported Products (RoDTEP)

The Remission of duties and taxes on exported products scheme has replaced Merchandise Export from India Scheme (MEIS). Under the scheme, rebate of these taxes will be given in the form of duty credit/electronic scrip. The scheme was notified from 1 January 2022 with the intention to boost exports. The rate of duty of remission for the products under RoDTEP scheme has been notified by the Government of India and it ranges from 0.5 percent to 4 percent.

2. Benefits of Duty Drawback scheme under section 75 of the Customs Act, 1962

As per section 75, Central Government is empowered to allow duty drawback on export of goods, where the imported materials are used in the manufacture of such goods. Unlike drawback of a portion of the customs duty paid on imported goods, here the main principle is that the Government fixes a rate per unit of final article to be exported out of the country as the amount of drawback payable on such goods.

3. Benefits under the Central Goods and Services Act, 2017, respective State Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 (read with relevant Rules prescribed thereunder)

Export of goods

Under the GST regime, all supplies of goods which qualify as export of goods are zero-rated which can be supplied either with or without payment of IGST

Either exporter can export under Bond/ Letter of Undertaking (LUT) as zero-rated supply without payment of IGST and claim refund of accumulated ITC or person may export with payment of IGST and claim refund thereof as per the provisions of Section 54 of Central Goods and Services Tax Act, 2017.

Thus, the GST law allows the flexibility to the exporter (which will include the supplier making supplies to SEZ) to claim refund upfront as integrated tax (by making supplies on payment of tax using ITC) or export without payment of tax by executing a Bond/ LUT and claim refund of related ITC of taxes paid on inputs and input services used in making zero rated supplies.

II. Special tax benefits available to the Shareholders

- a. There are no special tax benefits available to shareholders for investing in the shares of the Company

Notes:

6. These special tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Indirect Tax Regulations. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

7. The special tax benefits discussed in the Statement are not exhaustive and is only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for a professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications.
8. The Statement has been prepared on the basis that the shares of the Company are to be listed on a recognized stock exchange in India and the Company will be issuing equity shares.
9. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
 - i. The Company or its shareholders will continue to obtain these benefits in future;
 - ii. The conditions prescribed for availing the benefits have been/ would be met with; and
 - iii. The revenue authorities / courts will concur with the view expressed herein.
10. The above views are basis the provisions of law, their interpretation and applicability as on date, which may be subject to change from time to time.

For and on behalf of **Allied Blenders and Distillers Limited (formerly known as Allied Blenders and Distillers Private Limited)**

Ramakrishnan Ramaswamy

Chief Financial Officer (CFO)

Place: Mumbai

Date: 24 June 2022

SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Industry Report On Indian Alco-Beverage Market” dated June 21, 2022 (the “Technopak Report”) prepared and issued by Technopak Advisors Private Limited appointed on March 23, 2022, and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the Technopak Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. A copy of the Technopak Report is available on the website of our Company at <https://www.abdindia.com/investor-relations/investor-information/reports/>. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Unless otherwise stipulated, years indicated refer to calendar years.

While preparing its report, Technopak Advisors Private Limited has also sourced information from publicly available sources, including our Company’s financial statements available publicly. However, financial information relating to our Company presented in other sections of this Draft Red Herring Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Draft Red Herring Prospectus.

OVERVIEW OF GLOBAL AND INDIAN ECONOMY

India is the world’s sixth largest economy and expected to be in top three global economies by Fiscal 2050

Currently, India ranks sixth in the world in terms of nominal gross domestic product (“GDP”) and is the third largest economy in the world in terms of purchasing power parity (“PPP”). India is estimated to be among the top three global economies in terms of nominal GDP by Fiscal 2050.

GDP Ranking of Key Global Economies (2020)

Country	Rank	% Share (World GDP, at current prices)	Rank	% Share (World GDP)
Developed Economies				
United States	1	24.7%	2	15.8%
Japan	3	6.0%	4	4.0%
Germany	4	4.5%	5	3.3%
United Kingdom	5	3.2%	9	2.3%
France	7	3.1%	8	2.3%
Developing Economies				
China	2	17.4%	1	18.3%
India	6	3.1%	3	6.7%

Source: World Bank Data, RBI, Technopak Analysis

Global Disposable Income per Capita, broken down between Developing and Developed Market

The disposable income per capita for developed economies such as United States, Germany, France and United Kingdom have been on the rise from the period between 2015-2019 and has witnessed a slight decline in 2020 owing to the effect of COVID-19 pandemic. On average, the disposable per capita income for these major economies grew by approximately 3.30% CAGR over the period between 2015-19. Developing economies such as China and India, have witnessed similar trend in growth as compared to developed economies but have an average growth rate of approximately 6.5 CAGR over the period between 2015-19.

Disposable Per Capita Income of Key Global Economies (value in USD)

Country	CY 2010	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CAGR 2010-20
Developed Economies												
United States	48,467	49,883	51,603	53,107	55,060	56,863	58,021	60,110	63,063	65,280	63,593	2.8%
Japan	36,577	37,379	38,514	40,219	41,581	42,913	44,635	46,372	47,573	49,041	46,483	2.4%
Germany	35,335	36,214	37,606	39,402	39,555	40,899	40,623	41,505	42,202	42,617	42,390	1.8%
United Kingdom	38,953	42,542	43,360	44,994	47,012	47,610	50,580	53,071	55,235	55,653	54,792	3.5%
France	35,903	37,441	37,679	39,524	40,144	40,850	42,925	44,577	46,577	49,072	46,983	2.7%
Developing Economies												
China	9,254	10,293	11,169	11,872	12,480	12,898	13,483	14,244	15,497	16,653	17,211	6.4%
India	4,237	4,494	4,861	5,057	5,234	5,465	5,840	6,183	6,675	6,998	6,504	4.4%

Source: World Bank Data, Technopak analysis

Median Age of Key Global Economies

Median Age: Key Emerging and Developed Economies (2021)

Country	Developed Economies						Developing Economies					
	World	USA	UK	Japan	Germany	France	China	India	Russia	Brazil	Indonesia	Thailand
Median Age (Yrs.)	30.1	38.1	40.5	47.3	47.1	41.4	37.4	28.1	39.6	32.6	30.2	37.7

Source: World Population Review, Technopak Analysis

Effect of COVID-19 on Global Economy

Global economy was severely impacted in 2020 due to COVID-19. In some countries economic downturn has been severe, while in the others it has been modest. India witnessed the highest de-growth and was the hardest hit economy in the second quarter of 2020 with a decline of -24.2% quarter on quarter basis. India also showed a smart recovery in the next quarter with a 21.2% growth.

Major developed economies such as United Kingdom, Japan and Germany have also suffered decline in GDP. These economies have shown great resilience and were able to bounce back in the third quarter of 2020 and Q4 2020. Among the developing economies, India showed the highest growth rate on a quarter-on-quarter basis in third quarter of 2020 and the fourth quarter of 2020 with 21.2% and 8.6% growth respectively.

COVID-19 Recovery Across Countries – Quarter-on-Quarter growth (in percentage)

Country	Q4-2019	Q1-2020	Q2-2020	Q3-2020	Q4-2020	Q1-2021	Q2-2021
India	0.40%	0.60%	-24.50%	21.20%	8.60%	2.30%	-10.20%
United Kingdom	0.00%	-2.80%	-19.50%	16.90%	1.30%	-1.60%	4.80%
Germany *	-0.10%	1.80%	-10.00%	9.00%	0.70%	-2.00%	1.60%
Brazil	0.30%	-2.30%	-9.00%	7.70%	3.10%	1.20%	-0.10%
U.S.	0.50%	-1.30%	-8.90%	7.50%	1.10%	1.50%	1.60%
Japan	-1.90%	-0.60%	-7.90%	5.40%	2.80%	-1.10%	0.50%
Australia	0.40%	-0.30%	-7.00%	3.60%	3.20%	1.90%	0.70%
China	1.20%	-8.70%	10.00%	2.80%	3.00%	0.40%	1.30%

Source: Technopak Analysis; *implies data is provisional

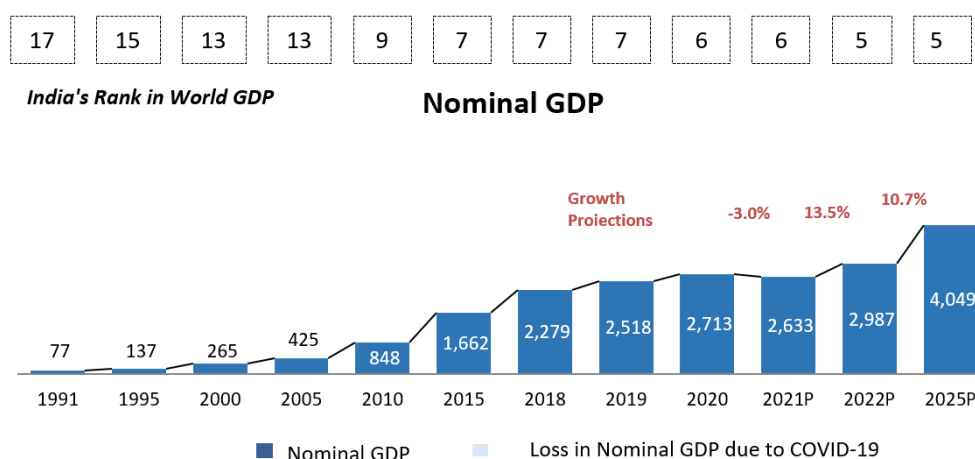
Macro-economic overview of India

India's GDP Growth

Since Fiscal 2005, Indian economy's growth rate has been twice as that of the world economy and it is expected to sustain this growth momentum in the long term. Due to COVID-19, India's real GDP contracted by 7.3% in Fiscal 2021, but the economy is expected to bounce back with a RBI's real GDP growth estimated at 9.5% for Fiscal 2022, with 6.6% growth in the third quarter and 6.0% growth in the fourth quarter of Fiscal 2022. The real GDP growth going forward is estimated to be 17.2% for the first quarter of Fiscal 2023 and 7.8% for the second quarter of Fiscal 2023 as compared to same period preceding year. GDP of India is expected to reach USD 4 trillion by Fiscal 2025. It is also expected that India's economic growth trajectory will enable it to be among the top three global economies by Fiscal 2050.

Several structural factors are likely to contribute to economic growth. These include favorable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanisation, growing young and working population, IT revolution, increasing penetration of mobile and internet infrastructure, increasing aspirations and affordability, etc.

India's Nominal GDP in Fiscal (USD billion)



Source: Technopak Analysis; 1 US\$ = ₹ 75; White boxes at the top refer to India's GDP rank on a global basis

Domestic Consumption Growth

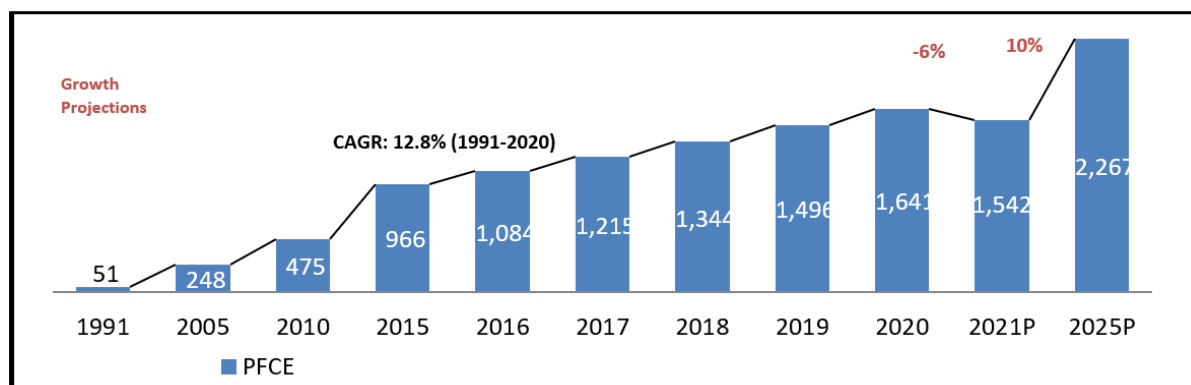
Private Final Consumption Expenditure

High share of Domestic Consumption in Private Final Consumption Expenditure (PFCE)

India's share of domestic consumption, measured as private final consumption expenditure, in its GDP was approximately 57% in Fiscal 2022. This private consumption expenditure includes final consumption expenditures of Households and Non-profit institutions serving Households and comprises both goods (food, lifestyle, home, pharmacy, etc.) and services (food services, education, healthcare, etc.). In comparison China's domestic consumption share to GDP in 2020 was 39.2%.

High share of private consumption to GDP has the advantage of insulating India from volatility in the global economy. It also implies that sustainable economic growth directly translates into sustained consumer demand for goods and services. The annual growth rate for Fiscal 1991-2005 was approximately 12% and this increased to approximately 14% for Fiscal 2020. In Fiscal 2019, PFCE accounted for approximately 59.0% of GDP. This is much higher than that in China (approximately 39.0%) and lower than that of the US (approximately 68.0%). India's domestic consumption has grown at a CAGR of 7.3% between Fiscal 2016 and Fiscal 2021, compared to 2.8% and 4.7% in the USA and China respectively during the similar period of 2015 and 2020.

India's Household Final Consumption Expenditure (in USD billion)



Source: Technopak Analysis; Year indicates Fiscal

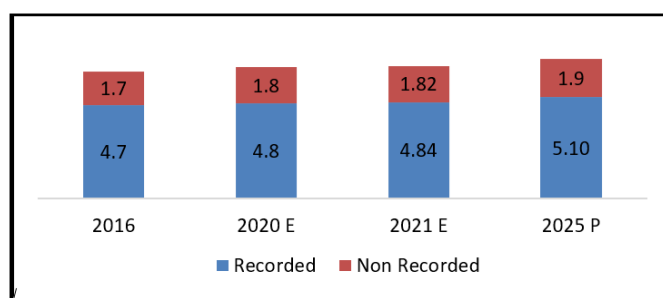
GLOBAL CONSUMPTION TRENDS IN ALCO-BEVERAGES

Consumption Trend in Alco-beverages

Alcohol consumption is captured by World Health Organisation (WHO) as total alcohol per capita consumption in litres of pure alcohol per person per year and alcohol consumption in grams of pure alcohol per person per day for population above 15 years. This includes both drinking and non-drinking population. The minimum legal drinking age in some countries is as low as 16 years. Alcohol consumption is further divided into recorded data and unrecorded data. Recorded data is alcohol sales captured through excise department in most countries.

World per capita alcohol consumption in 2021 is estimated at 6.6 litre of pure alcohol per year. The recorded alcohol per capita consumption for 2021 is estimated at 4.8 litres.

World Per capita Alcohol consumption in form Pure alcohol (in litres)



Source: WHO: Global status report on alcohol and health 2018

India is one of the fastest growing alco-beverage consumption markets among the top economies in the world

India is one of the fastest growing alcoholic beverage markets in the world growing from a small base of 1.3 litres per capita of recorded consumption of pure alcohol in 2005 to 2.7 litres per capita consumption in 2010 and further to 3.0 litres per capita consumption in 2020.

In addition to the growth in per capita alcohol consumption, positive demographic factors including more than 10 million people added every year to the population eligible for drinking, makes it one of the most attractive markets for alcoholic beverages.

Recorded Per capita consumption of pure alcohol (in litres) (years in calendr year)

Country	2005	2010	2020	2025 P	CAGR		
					2005-10	2010-20	2020-25P
France	12.9	12.3	11.2	10.8	-1%	-0.9%	-0.8%
United Kingdom	11.4	10.0	9.7	10.0	-2.5%	-0.3%	0.3%
Germany	11.7	11.6	10.3	9.8	0%	-1.1%	-1.0%
USA	8.6	8.6	8.9	9.2	0%	0.4%	0.5%
China	2.9	5.8	4.2	3.6	15%	-3.0%	-3.0%
India	1.3	2.7	3.0	3.2	17%	0.8%	1.7%
World Average	4.4	4.7	4.8	4.8	0.70%	0.0%	1.20%

Source: Technopak Analysis

India alcohol market size in 100% pure alcohol (volume in million Litres) (years in calendar year)

Year	2005	2010	2020	2025P
Per capita consumption (in Litres) (100% pure alcohol)	1.3	2.8	3.0	3.2
Population in Crore	105	119	135	141
Alcohol market size (in Million Litres) (100% pure alcohol)	856	2,263	2,891	3,370

Source: Technopak Analysis

Alcohol consumption is divided in three major product categories including Spirits, Beer and Wine

Alcohol consumption is divided across three major categories of alcoholic beverages with varying trends across countries. The consumption of different alcoholic beverages has matured in developed economies but it is still going through a transition in developing countries.

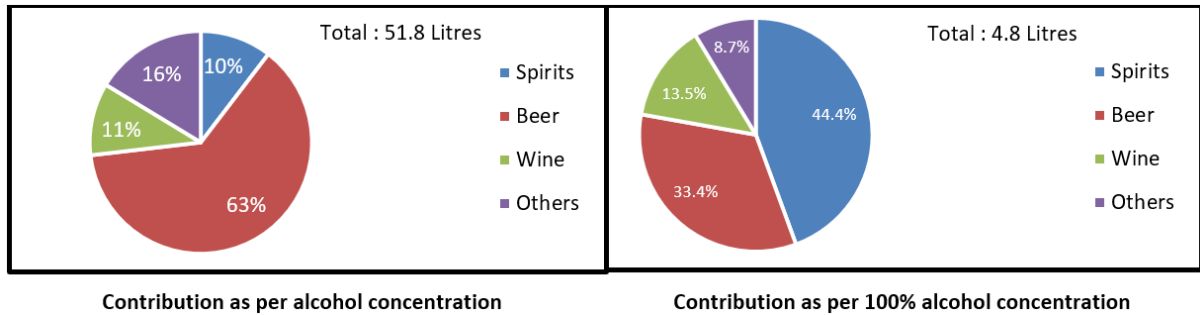
Distilled alco- beverage consisting of spirits as a category is the largest category of alcoholic beverages contributing close to 44% of alcohol consumption in the world in 2021. Un-distilled alco-beverage primarily including beer and wines together contribute almost equivalent to distilled alco beverage.

World per capita recorded alcohol consumption for 2021 (volume in litres)

Category	% Contribution to Pure Alcohol Consumption	Average Alcohol Content (%)	Per Capita Consumption as per alcohol concentration (in litres)
Spirit	44.4%	40%	5.4
Beer	33.4%	5%	32.5
Wine	13.5%	12%	5.4
Others	8.7%	5%	8.5
Total	100%		51.8

Source: Technopak Analysis

Per Capita consumption of alcoholic beverages in 2021 (volume in Litres)

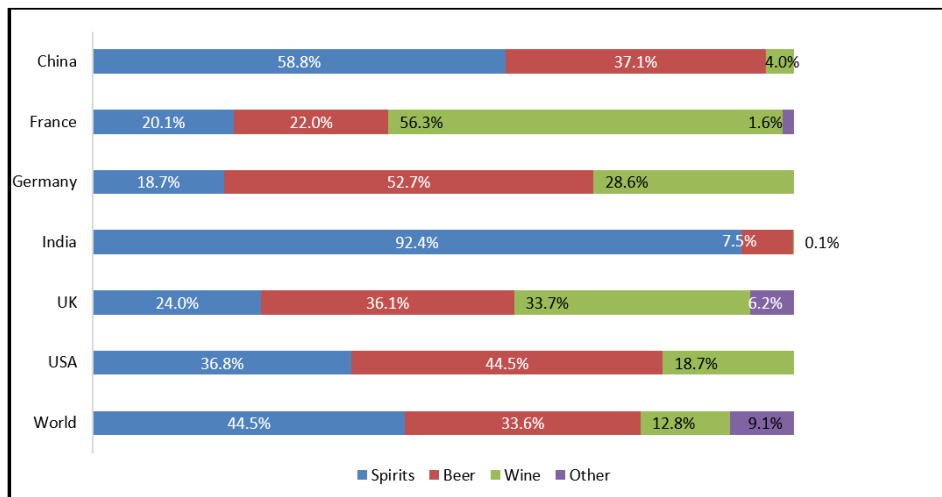


Source: Technopak Analysis; Note: Data converted from pure alcohol data to average concentration for each category

India is one of the leading spirits markets with more than 90% of consumption in the form of spirits

India is a spirits’ market with more than 90% of alcohol consumed in the form of spirits. The per capita consumption of spirits in India is one of the highest among top economies of the world.

Contribution of alcoholic beverages in 100% alcohol in 2021 (in %)



Source: Technopak Analysis

Per Capita alco-beverage consumption as per alcohol concentration in 2021 (in litres)

Country	Spirit	Beer	Wine	Others	Total
Germany	5.0	110.5	25.2	-	140.7
France	5.7	49.6	52.8	3.5	111.7
USA	8.4	78.4	14.2	-	101.0
United Kingdom	5.9	69.9	28.9	11.7	116.5
China	7.1	32.7	1.6	0.9	42.2
India	6.9	4.8	0.0	-	11.8
Overall	5.4	32.5	5.4	8.5	51.8

Source: Technopak Analysis; Note: Per capita consumption calculated from pure alcohol, taking into consideration alcohol concentration of respective categories as a factor; Data projected basis WHO data up to 2019

Alcohol Consumption by Gender

Proportion of women in current drinkers is close to 37% in 2021. Close to 30% of all women are in the category of current drinkers. Also, when females drink alcohol, they drink less on an average. Men consume close to three times of alcohol consumption by women. The proportion of current drinkers in overall population has come down from 45.5% in 2010 to 40.8% in 2021 but the total market size remains unchanged as the overall population increases.

Men vs Women consumption of alcohol for the world (value in Litres) (for 2021)

CY	Total APC			contribution to drinking population		% drinkers by gender		
	Men	Women	Ratio	Men	Women	Men	Women	Total
2021	18	5.7	3.1	62.9%	37.1%	51.3%	30.2%	40.8%
2016	19.4	7	2.8	62.4%	37.6%	53.5%	32.2%	42.9%
2010	21.2	8.9	2.4	61.8%	38.2%	56.2%	34.8%	45.5%

Source: Technopak Analysis; Data projected basis WHO data up to 2019; APC: Alcohol per capita in terms of 100% alcohol

Regulatory Framework for Distribution and Sale of Liquor

Alco-beverage industry around the world has been saddled with extra burden of regulations due to perceived effect and abuse of alcohol. Globally, countries have alcohol policies consisting of laws, rules and regulations that aim to prevent and reduce alcohol related health complications. Alcohol policies incorporate a multilevel, multicomponent approach, targeting multiple determinants of drinking such as availability, price, marketing, and drink– driving. Sale and production of alco-beverages is regulated in majority of countries in the world to guard against harmful use. These policies include control from production, pricing, storage and movement and final consumption of alco-beverages.

Snapshot of alcohol policies and status in India

Policies and Interventions	Status in India
Written national policy/national action plan	Not Applicable
Excise tax on beer/wine /spirit	Applicable
Legal minimum age for sale of alcoholic beverages	Applicable
Restrictions for on-/off-premises sales of alcoholic beverages: Hours, days / places, density	Applicable
National maximum legal blood alcohol concentration (BAC) when driving a vehicle	Applicable
Legally binding regulations on alcohol advertising	Applicable
Legally required health warning labels on alcohol advertisements / containers	Applicable
National government support for community action	Not Applicable
National monitoring system(s)	Applicable

Source: Technopak analysis; Data derived from WHO report

ALCO-BEVERAGE INDUSTRY IN INDIA

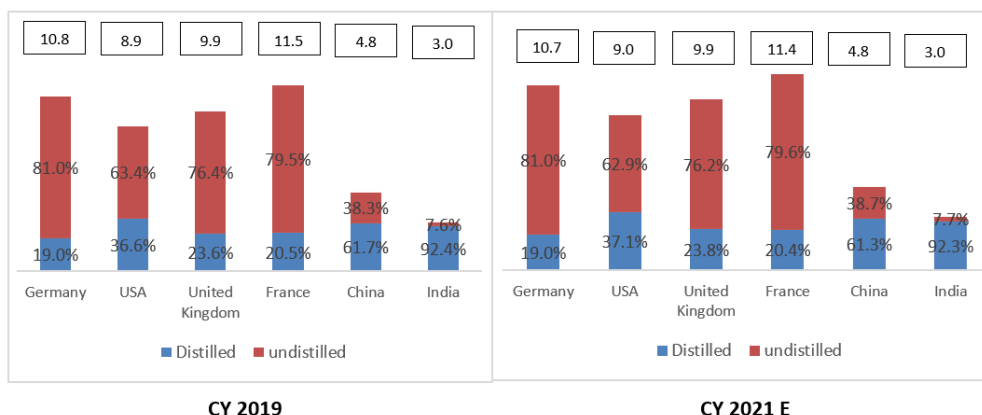
Indian alco-beverage market profile

India is primarily a distilled alco beverage market with contribution of spirits in form of pure alcohol at more than 90% in 2021

India is primarily a distilled alcohol market with more than 90% of recorded pure alcohol consumption in form of distilled spirits. This is unlike developed countries where contribution of undistilled alco beverages including beer and wine together is higher than distilled spirits.

Distilled spirits in India continue to be the dominant form of alco beverage consumption even as acceptance of beer and wine is increasing. Even in case of undistilled alco-beverages, alcohol content by volume is higher than in Europe and USA. In case of beer category, strong beer has a dominant share in the overall beer consumption. In wines category, fortified wines with higher alcohol content control a sizable market share in India.

Per capita consumption of alcohol in terms of pure alcohol (volume in litres)



Source: Technopak analysis; Data projected basis WHO data up to 2019

Recorded alcohol consumption in India is close to 3 billion litres of pure alcohol in 2021 with 92% in form of distilled spirits

India is one of the fastest growing alco-beverage markets in the world, with distinctive characteristics that make it appealing to the top players of the industry. One of the biggest attractions is the size of the market and the continual evolution of the market as economic variables such as rising GDP, urbanisation and women’s involvement in the workforce fuel demand and growth.

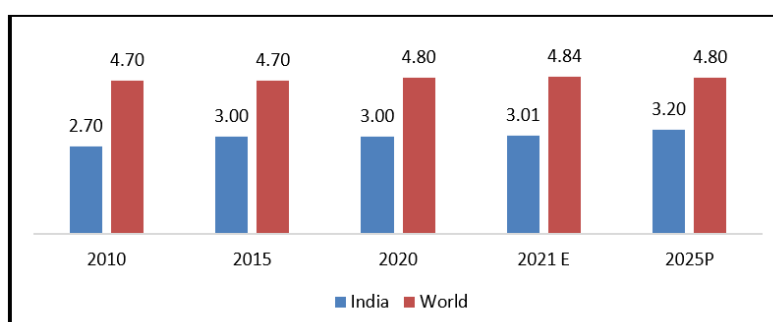
The recorded alcohol per capita (“APC”) for India in 2021 was estimated at 3.0 litre per annum against the world average of 4.8 litres. Indian market size is estimated at close to 3 billion litres of pure alcohol in 2021. Distilled alco-beverages contribute close to 92% of the total pure alcohol consumption in India. The market for alco beverages in India is estimated to grow at 3.8% by volume for the period between 2021 to 2025 as approximately 10-12 million people join drinking population every year.

Alco-beverage market size in 100% pure alcohol 2021 (volume in litres)

Country	APC (litres)	Total market size (Billion litres)	Spirits Market Size (Billion Litres)
China	4.8	5.5	3.4
India	3.0	2.9	2.7
USA	9.0	2.4	0.9
Germany	10.7	0.8	0.1
France	11.4	0.6	0.1
United Kingdom	9.9	0.5	0.1
World	4.8	27.8	12.5

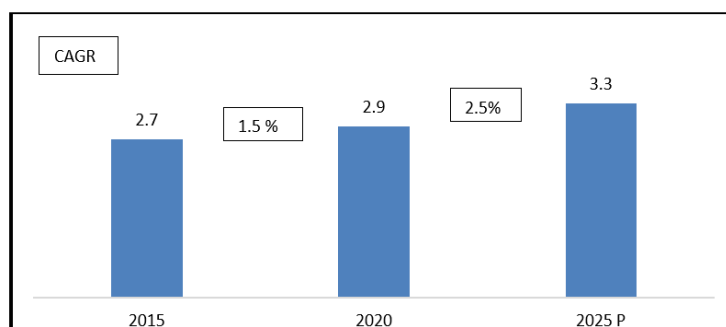
Source: Technopak analysis; Data derived from WHO data available till 2019; APC is Alcohol per capita

Per Capita consumption of recorded APC in pure alcohol form (volume in litres)



Source: Technopak analysis; Data derived from WHO data available till 2019; APC is Alcohol per capita

Indian alco -beverage market size in recorded pure alcohol (volume in billion litres)



Source: Technopak analysis, Census India; Data derived from WHO data available till 2019

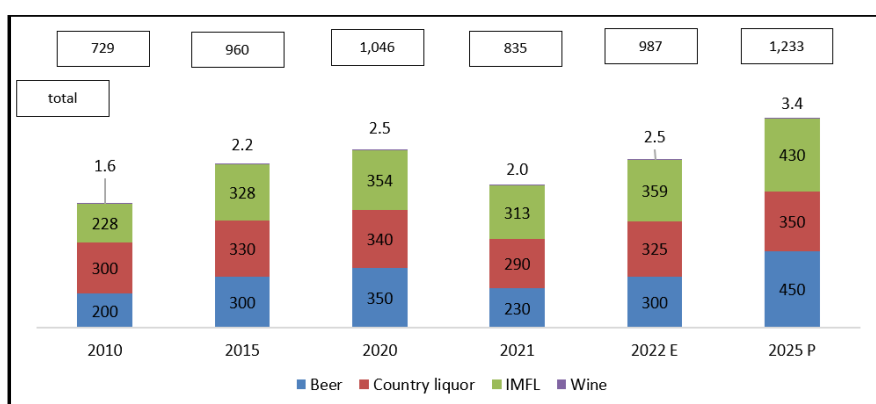
Indian alcohol beverage market is more than a billion cases in size and highly dominated by spirits

The Indian alco-beverage market crossed more than a billion cases per annum in Fiscal 2020. A volume-based analysis shows that alcohol beverage market in India is almost equally divided between country liquor, Indian Made Foreign Liquor (“IMFL”) and beer with a small contribution from wines and imported spirits. The industry is projected to cross 1,200 million cases in volume by Fiscal 2025.

India’s per capita consumption is significantly lower compared to global per capital consumption. Low per capita consumption coupled with positive demographics factors and more than 10 million people added each year to the population eligible for drinking, make India an attractive market for alcoholic beverages. There exists significant potential for future growth for the alcoholic beverages market in India.

IMFL is the largest segment of Indian alco-beverage market both in volume and value terms. IMFL segment recorded sales of 310 million cases in Fiscal 2021 with a decline of 11.4% in volume as compared to Fiscal 2020 sales at 350 million cases. IMFL market is estimated to have recovered to 355 million cases in Fiscal 2022. IMFL sales volume is projected to reach 425 cases by Fiscal 2025. IMFL sales by value is estimated at ₹ 1,740 billion in Fiscal 2022. IMFL sales value is projected to reach ₹ 2,400 billion by Fiscal 2025. During the period between Fiscal 2022 and Fiscal 2025, IMFL sales value is expected to grow at a CAGR of 11.3% and sales volume at a CAGR of 6.2%.

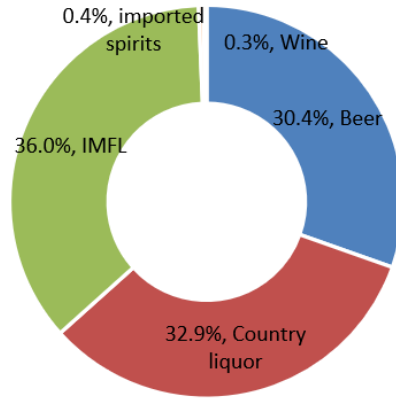
Alco-beverage consumption in India (in million cases) and CAGR for Fiscal



CAGR (FY)	Beer	Country Liquor	IMFL	Wine	Total
2010 – 2015	8.4%	1.9%	7.6%	6.1%	5.7%
2015 – 2020	3.1%	0.6%	1.5%	2.9%	1.7%
2022 E – 2025P	14.5%	2.5%	6.2%	10.7%	7.7%

Source: Technopak Analysis; Note: IMFL also includes imported spirits in the charts; Note: Data projected basis Multiple State Excise Dept, Annual Reports WHO data

Alco-beverages Consumption in India Fiscal 2022E (total 987 million cases)

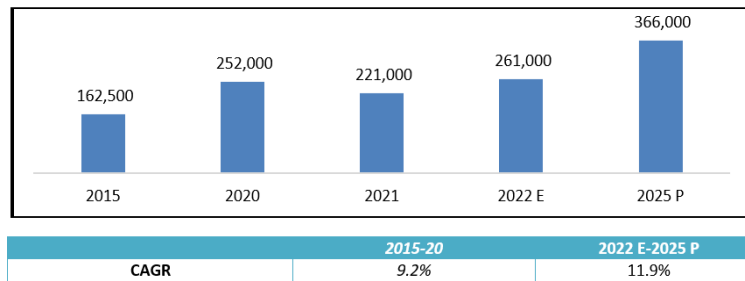


Source: Technopak Analysis; Data projected basis Multiple State Excise Dept, Annual Reports WHO data

Indian alco-beverage sector size is estimated at ₹ 2,600 billion in Fiscal 2022 making it one of the biggest markets in the world

Indian alco-beverage market is the third largest market in the world after China and Russia. It is also the second largest spirits market in the world. Indian alco-beverage is projected to grow at a CAGR of 7.7% by volume for the period between Fiscal 2022 to Fiscal 2025 against the projected world market growth of 1.5% by volume for the same period. Indian market is projected to grow at 12% per annum in value terms for the period between Fiscal 2022 to Fiscal 2025. Indian market is dominated by IMFL which is estimated to contribute close to 66% in value to the overall market in Fiscal 2022.

Indian Alco-beverage market in ₹ Crore



Source: Technopak Analysis; Note: Data projected basis annual reports Multiple State Excise Dept

Indian alco-beverage market is domestic market led with share of exports and imports together at less than 5%

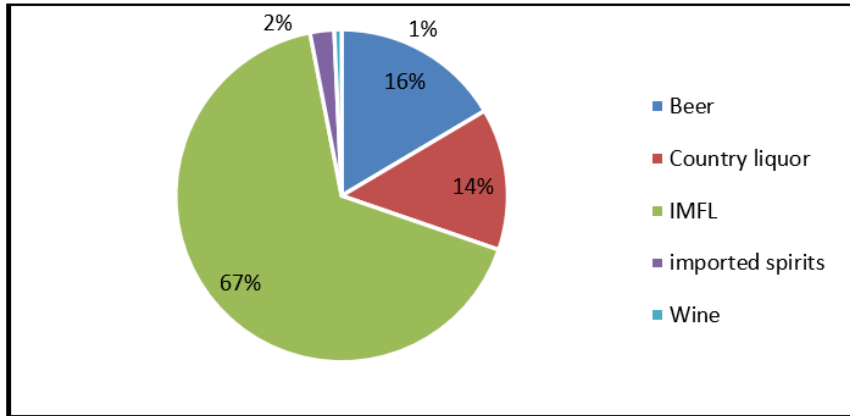
Indian alco-beverage market is domestic market led with contribution of exports at approximately USD 300 million and imports at approximately USD 500 million has been rangebound in the last five years from 2015 to 2020. Import is dominated by whisky with bulk of it used for blending and thus play an important role in the IMFL market. The trend towards premiumisation may lead to increased imports of alco beverages, particularly whisky.

Imported wines have also played an important role in development of wine segment in India. However, unlike other Asian countries including Japan and South Korea, growth of import in wines has been limited and market has been captured by domestic players.

Export of Indian alco-beverages is in countries with large population of Indian diaspora with middle east accounting for bulk of exports. Premium Indian alco-beverages including single malt whisky’s have started to carve a niche for themselves but it is very small.

The Indian regulatory framework is also playing an important role in providing a level playing field for domestic alco-beverage players. Foreign liquor as imported in India is charged a custom duty as per customs act 1962. Customs tariff of 150% is applicable on finished product like scotch whisky bottled in country of origin or bulk scotch whisky imported for bottling in India as well as intermediate products like undenatured ethyl alcohol of alcoholic strength by volume of 80% volume or higher which is used for blending with production in India.

Indian Alco-beverage market Fiscal 2022 E (Total value ₹ 2.6 lakh Crore)

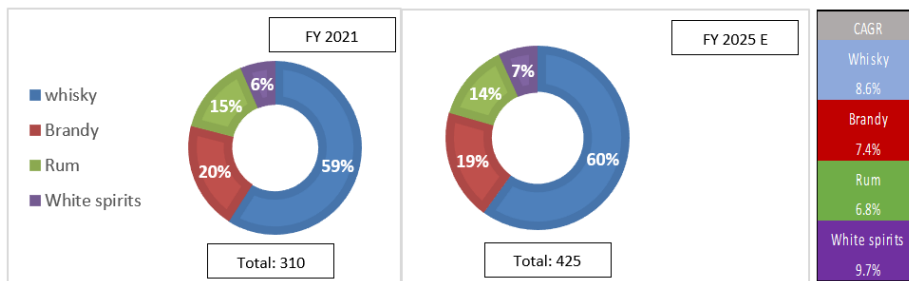


Source: Technopak Analysis; Note: Data projected basis annual reports and multiple state excise department

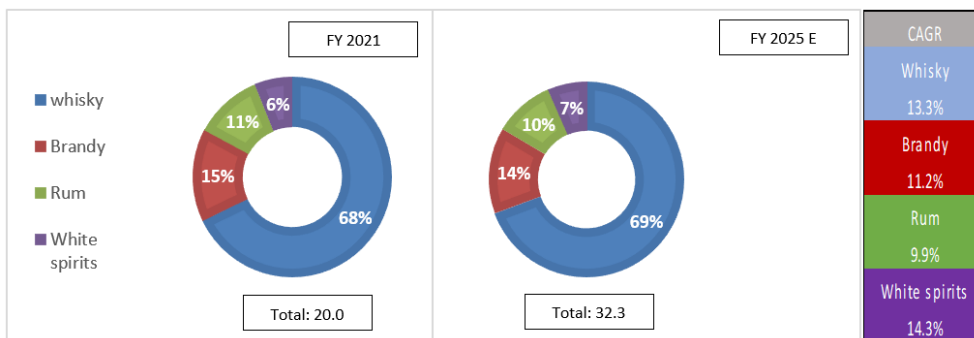
Indian made foreign liquor is dominated by Brown Spirits unlike world market which is a White Spirits market

IMFL is dominated by brown spirits including whisky, rum, and brandy with a small share of white spirits including vodka and gin. This is unlike world markets where white spirits are dominant. As per distilled spirits council in USA, for calendar year 2021 vodka contributed close to 27% of distilled spirits market in USA whereas contribution of American whisky was close to 10%. However, White spirits in India have shown higher growth for the period between Fiscal 2015 to Fiscal 2022 with CAGR of 3.5% in volume terms whereas CAGR growth for the same period for brown spirits in volume terms is 1.4%. IMFL market in India is a concentrated market with top three players controlling close to half of the overall market by volume in Fiscal 2021.

IMFL market in India



IMFL sales Trend in Volume (in Million Cases)



IMFL sales Trend in Value (in USD Billion)

Source: Technopak Analysis; Data projected basis annual reports analysis

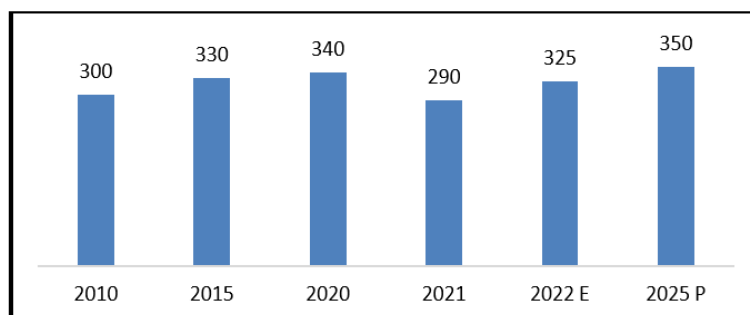
A large country liquor market catering to the lower income group is the target market for recruitment for IMFL

Flavoured local alcoholic beverage popularly known as country liquor or Indian made Indian liquor (“IMIL”) is close to one third of the alcoholic beverage market by volume in Fiscal 2021. IMIL is a flavoured alcoholic drink influenced by regional taste preferences where popular flavours are fruit flavours, masala flavours, etc. It caters to the price sensitive, lower income group in India and has high acceptance in rural areas.

IMIL is made from rectified spirits with alcohol percentage of 30% to 37%. Rectified spirits have lower level of purity as compared to extra neutral alcohol (“ENA”) used in IMFL. However, recently country liquor companies have started using ENA as raw material. Country liquor market was estimated at 325 million cases in Fiscal 2022.

However, market is projected to be range bound at 350 million cases by Fiscal 2025, recovering from loss in volumes due to COVID-19.

IMIL market in India in million cases Fiscal 2020 (340 million cases)



CAGR	2015-20	2022 E -25 P
IMIL	0.6%	2.5%

Source: Technopak Analysis

A large country liquor market is also a target group for IMFL as customers move from IMIL to IMFL. IMFL market has benefitted from ban on country liquor across all states in south India, due to health hazards. Any ban on country liquor leads to an instant jump in volumes in IMFL. This recruitment happens at the lower end called the popular segment of the IMFL market. Maharashtra, Uttar Pradesh and West Bengal are key markets for IMIL. This category will drive volume growth for IMFL as legislation become more favourable to IMFL and alcohol beverage firms innovate.

Ban on country liquor and growth in IMFL sales trend

State	Year	Event	Share in IMFL volume	IMFL volume trend
Karnataka	2007	Ban on sale of Arrack	~ 17%	<ul style="list-style-type: none"> 32.5 to 49 million cases from 2007-08 to 2011-12 CAGR of 11%
Andhra Pradesh	2013	Ban on sale of Arrack	~7%	<ul style="list-style-type: none"> 28 to 36 million cases from 2013-14 to 2017-18 CAGR of 6%

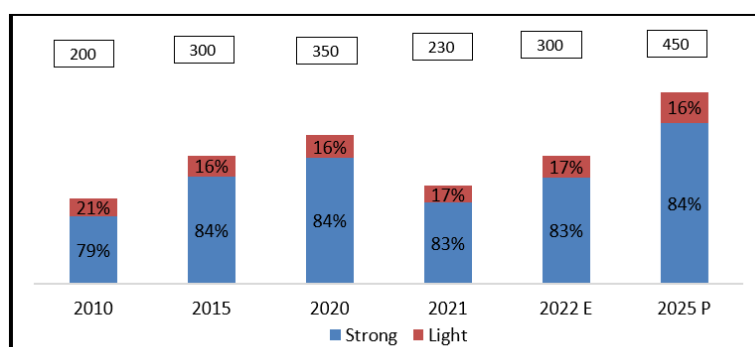
Source: Technopak Analysis; Note: Data projected basis state excise department and news articles

Indian beer market is projected to reach 450 million cases by Fiscal 2025 with market dominated by strong beer

Beer category has shown consistent growth in volumes since 2005 as volume crossed 350 million cases in Fiscal 2020. Given the low per capita consumption of beer in India as compared to the developed countries in the world, beer consumption in India will continue to grow. As per WHO almost one third of pure alcohol consumption in the world is in form of beer whereas in case of India it is less than 10%.

Indian beer market is traditionally a strong beer market with close to 85% of market with strong beers. Leading brand of Kingfisher strong with volumes more than one hundred million cases per annum in Fiscal 2020 holds close to 30% of beer market in volume terms. Premium range of beers in both strong and light beer categories are driving growth in beer market in India. The Industry has evolved from manufacturing standard beers such as strong and lager beer to flavoured and variety beers in line with trends in other developed countries.

Indian Beer Market in million cases



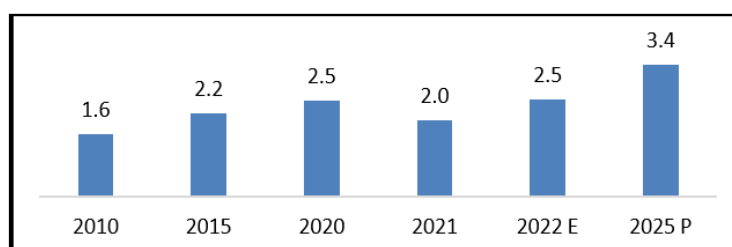
CAGR	2015-20	2022 E -25 P
Strong	3.2%	14.8%
Light	2.8%	12.9%
Overall	3.1%	14.5%

Source: Industry Reports, Annual Reports, Technopak Analysis; Note: Total market size in million cases captured in text box

Indian wine market is projected to reach 3.4 million cases by Fiscal 2025 with high contribution of domestic wines

Wine category in India is estimated at 2.5 million cases in Fiscal 2022 and projected to grow to 3.4 million cases by Fiscal 2025 with a compounded annual growth rate of more than 10.7% by volume. The supply of domestic wines that are reasonably priced and easily available as compared to the imported wines has helped expand the market. As of Fiscal 2020, share of wine as a form of alcohol consumption in India was very low at less than 1% by volume whereas contribution of wines to alcohol consumption was close to 12% in the world. Its contribution was as high as close to 50% in select European countries.

Indian wine market by Volume in million cases (data for Fiscal)



CAGR	2015-20	2022 E-25 P
Wine	2.9%	10.7%

Source: Technopak Analysis; Note: Data projected basis reports from WHO, OIV, import data

Indian Alco Beverage Market by Price and Segments

Indian alco-beverage market has traditionally been a price sensitive market. The popular segment as also known as mass premium segment has been the volume driver for the category in the first decade and a half of the century. This period between 2000 to 2015 has also coincided with highest per capita growth in alcohol consumption as well as highest growth in the number of people becoming eligible for drinking alcohol. However, growth in popular segment was on lower side in the last five to seven years as brands were focussed on prestige and above segments in the IMFL and imported spirit's market.

The Indian beer market continues to grow, leveraging high growth in premium and super premium categories in both strong and light beer. Recruitment of new customers and growth in wine category across price segments is an indication of shift in industry towards premiumisation. Wines also grew in the premium segment as new varietals-based wines were introduced by domestic developers as well as imported in India.

Industry Split by Price Range and Segments

Alco-beverage	Sub Segment	Segment Name	Price Range*(INR)
Spirits	IMIL	Cheap /Local or unbranded	100-200
		Popular	Up to 350
	IMFL	Prestige	350-850
		Premium	850-1,750
		Premium	850-1,750
Beer	Beer	Popular	Up to 160
		Premium	160 and above
Wines	Wine	Popular	Up to 400
		Economy	400-700
		Premium	700-950
		Elite	950 and above

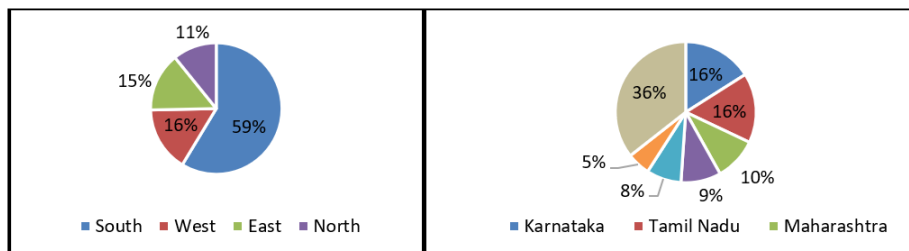
Source: Primary research, Technopak Analysis, Karnataka excise dept.; *Price Range mentioned for Karnataka; Price for 750 ml pack except beer which is for 650 ml; IMIL prices are representative as IMIL banned in Karnataka

Regional and State wise Split of Alco-beverage Consumption

Indian alcoholic beverage market is dominated by Southern States with five states contributing close to half of the overall volume of the market. Both IMFL and beer market is dominated by the five southern states. Tamil Nadu and Karnataka are the top two markets in South.

South India market has higher contribution of popular segment whereas north and west lead in prestige and above segment. The five states of south India have a large segment of drinkers in IMFL as country liquor is banned whereas in north India country liquor is available, mostly made from Grain ENA. In the North, contribution of prestige and above price segment categories is higher as end-consumer prices are relatively lower than any other part of the country in states like Delhi and Haryana.

Regional Split of IMFL market for Fiscal 2020 (total volume 350 million cases)

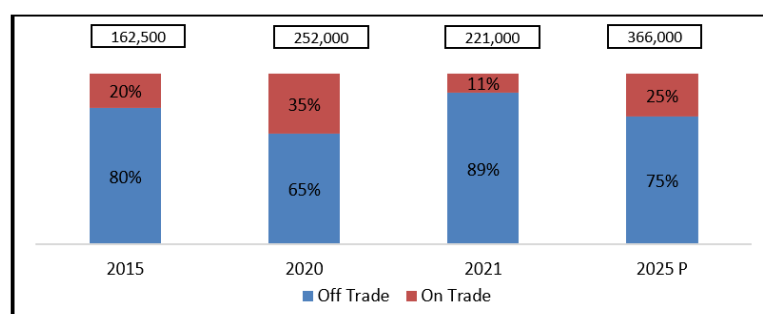


Source: Primary Research, Technopak Analysis

Prominence in On-Trade channel is set to drive sales growth in Off-Trade channel

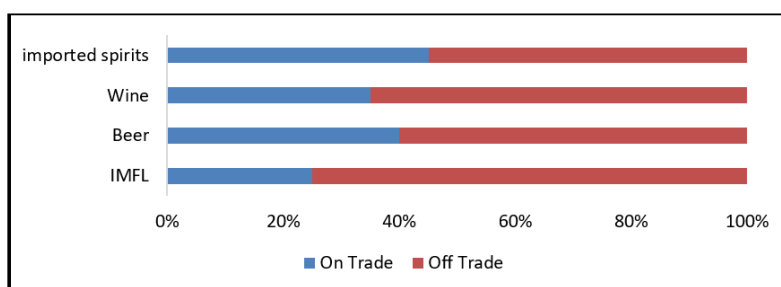
On-Trade sales for alco-beverage industry refers to consumption at hotels, restaurants, and caterers (“HoReCa”). It is one of the key drivers of alco-beverage industry in India in line with the transition of industry towards experience rather than intoxication. On-Trade sales went down sharply in Fiscal 2021 as majority of outlets were closed in first half of the financial year.

On-Trade and Off-Trade sales of Indian Alco-beverage market (in ₹ Crore)



Source: Primary Research, Technopak Analysis

Segment wise trend: On-Trade vs. Off-Trade sales (Fiscal 2020)



Source: Primary Research, Technopak Analysis

Every state and union territory in India is effectively an independent market

Alco-beverages in India is a state subject with production, distribution and sale of alcohol being responsibility of the state. It is regulated by state excise policies which cover multi-dimensional issues of alcohol control encompassing possession, production, manufacture, selling, buying and transport of liquor. Every state and union territory in India is effectively an independent market with its own set of regulations.

Drinking age is used to control proliferation and promote responsible drinking

Minimum legal drinking age is prescribed in majority of countries to promote responsible drinking. As per WHO, minimum age of 18-19 years is the most common minimum drinking age with 61% of countries subscribing to it. In India, minimum drinking age of 21 is the most common rule. There are States which define 18 years as the minimum drinking age and some States define 25 years as minimum drinking age. Enforcement of minimum drinking age specially on a higher side is always a challenge and violations are quite common.

State wise Minimum Drinking Age

State	Minimum Drinking Age
Uttar Pradesh	21
Karnataka	21
Maharashtra	21
Telangana	21
West Bengal	21
Madhya Pradesh	21
Rajasthan	21
Tamil Nadu	21
Andhra Pradesh	21
Haryana	21*
Delhi NCR	21*
Chhattisgarh	21
Punjab	25
Odisha	21
Uttarakhand	21
Kerala	21

Source: Technopak analysis; * Minimum drinking age changed from twenty-five

Distribution and pricing structure

Regulated distribution is one of the tools used by state governments to control sale of alco beverages. As each state has its own model of distribution, there are multiple modes being used in the country including complete control of distribution network with state run wholesaling and retailing to control over either wholesaling or retailing and in some cases both. However, in some states, distribution is not carried out directly by the state where both wholesaling and retailing is in the hands of private players. States also control distribution by not allowing to open new outlets in their areas. Any movement of alco beverages outside the manufacturing units is authorised by government officials.

Distribution models in alco-beverage industry

Distribution Channel	Sub-Type	Examples of States	Differentiating Details
Distributor Model Company -> Distributor -> Retail	Type 1	Maharashtra, Goa, Assam	<ul style="list-style-type: none"> Retail Private Distributor Private
	Type 1	Rajasthan, Karnataka	<ul style="list-style-type: none"> Retail Private Corporation buys from the company and sells it to retailer
Corporation Model Company -> Corporation*-> Retail	Type 2	Madhya Pradesh	<ul style="list-style-type: none"> Retail Private Corporation warehouses hold company stocks; Retailer lifts stocks from the corporation and then invoices are raised based on retail lifting
	Type 3	Tamil Nadu	<ul style="list-style-type: none"> Retail also owned by the corporation
Wholesale Model Company -> Wholesale**-> Retail	Type 1	Haryana, Delhi NCR	<ul style="list-style-type: none"> Retail Private Wholesale Private Multiple competing businesses controlling chunks of wholesale and retail
	Type 2	Sikkim	<ul style="list-style-type: none"> Retail Private Wholesale Private De facto monopoly of one group in wholesale

Source: Primary Research, Technopak Analysis; *Corporation is a state government-owned entity with a monopoly of distribution rights to retailers; **Wholesalers are privately dealing with multiple manufacturers. A large part of retail and wholesale has common ownership.

Taxes on alco-beverages serve the dual purpose of revenue maximisation and control proliferation of alco beverages

Taxes on alcohol increases its price and thus can be a powerful lever for influencing alcohol consumption, even if the purpose of those taxes is primarily to raise revenues and not necessarily to improve health. More than 60% of gross revenue of leading alcoholic beverage companies in India constitutes of excise paid directly to the state governments. Share of excise in total gross revenues of leading alco beverage companies in India has shown an increasing trend. In addition to excise some states also charge sales tax. In addition to these taxes there are one time or annual fees on label registration and related activities.

The quantum of tax under different heads is also a function of distribution model and revenue maximisation objective of the states. Trade margins in states where one or both the legs of distribution is in the private hands would also be a function of agreed MRP which are approved by the respective state governments.

Share of Excise to Revenue of alco-beverage companies in India (value in %)

Company	Industry	Share of Excise to Revenue		
		FY 2019	FY 2020	FY 2021
Allied Blenders & Distillers	Spirits	66%	63%	63%
Diageo	Spirits	68%	68%	71%
Pernod Ricard	Spirits	58%	58%	59%
United Breweries	Beer	54%	56%	60%

Source: Technopak analysis; Derived from annual reports

Illustrative pricing of IMFL in Uttar Pradesh

S. No	EDP*	Category	Consideration	Wholesaler	Retailer	MRP
	(per 750 ml)		fees (Rs)	margin (Rs)	margin (Rs)	(Rs)
	I		II	III	IV	V
1	0-70	Economy	(240+EDP)*75%	(3.75+EDP)*3%	(60+EDP)*20%	(I+II+III+IV)
2	70-125	Medium	(262+EDP)*82%	(4+EDP)*2.8%	(60+EDP)*20%	(I+II+III+IV)
3	125-250	Regular	(270+EDP)*83%	(4+EDP)*2.8%	(75+EDP)*10%	(I+II+III+IV)
4	250-400	Premium	(275+EDP)*85%	(4.75+EDP)*2.5%	(75+EDP)*10%	(I+II+III+IV)
5	400-600	Super premium	(290+EDP)*90%	(4.75+EDP)*2.5%	(85+EDP)*7.5%	(I+II+III+IV)
6	600 and Above	Scotch	(300+EDP)*95%	(4.75+EDP)*2.5%	(85+EDP)*7.5%	(I+II+III+IV)

Source: Uttar Pradesh excise policy 2021-22; *EDP stands for ex-distillery price

Illustrative Pricing of IMFL in Maharashtra

Sr No	Particulars	Formula	Values	Result
1	Excise Duty (Whichever is higher)	(Manufacturing Cost * 3)	(60 * 3) = 180.00	196.9
		OR	OR	
		350 * 0.75 *(Size of bottles / 1000)	350 * 0.75 * (750 / 1000) = 196.88	
2	MRP (Excluding VAT)	if (Manufacturing Cost < (Excise Duty / 3))	if (60 < (196.88 / 3))	316.9
		2 * Manufacturing Cost + Excise Duty	2 * 60 + 196.88	
		OR	OR	
		(Manufacturing Cost * 5)	(60 * 5) = 300.00	
		OR	OR	
		((Manufacturing Cost * 5) +(Manufacturing Cost - Cut Off) * 4)	(60 * 5) + (60 - 157.5) * 4 = -90.00	
Cut Off = (Size of bottles / 1000) * 210	157.50 = (750 / 1000) * 210			
3	Value Added Tax (VAT)	(MRP * 35)/100	(316.88 * 35)/100	110.9
4	MRP (Including All Taxes)	(MRP + VAT)	(316.88 + 110.91)	427.8

Source: Maharashtra State Excise, Secondary Research, Technopak Analysis

Import Duties on foreign liquor helps create a level playing field for the domestic industry

Foreign liquor imported into India is charged under custom duty as per Customs Act 1962. Customs tariff is applicable on finished product like scotch whisky bottled in country of origin or bulk scotch whisky imported for bottling in India as well as intermediate products like undenatured ethyl alcohol of alcoholic strength by volume of 80% volume or higher which is used for blending of local alco-beverages in India.

Alcoholic beverages imported in India are subject to excise and all other duties as per the excise rules of each state on the calculated deemed Ex-distillery Price. High customs duty coupled with high excise and other state duties has ensured that market for imported alco-beverages is niche and small.

Import Duties on Alcoholic Beverages

HS Code	Commodities	Import Duties			
		2019-20	2018-19	2017-18	2016-17
2203	Beer Made From Malt	100%	100%	100%	100%
2204 21	Port and other red wines, Sherry and other white wines, and Others; In containers holding less than 2 litters	150%	150%	150%	150%
2204 22	Port and other red wines, Sherry and other white wines, and Others; in containers holding more than 2 litres but not more than 10 litres	150%	150%	150%	150%
2204 29	Other: Port and other red wines, Sherry and other white wines, and Others, In container holding more than 2 litres	150%	150%	150%	150%
2204 30	Other Grape Must	150%	150%	150%	150%
2205 10	Vermouth and Other Wine of Fresh Grapes Flavoured With Plants Or Aromatic Substances; In Containers Holding 2 litres Or Less	150%	150%	150%	150%
2206 00 00	Other Fermented Beverages (For L 150% - Example, Cider, Perry, Mead Sake)	150%	150%	150%	150%
2207 10	Undenatured Ethyl Alcohol Of An Alcoholic Strength By Volume Of 80% Vol. Or Higher	150%	150%	150%	150%
2207 20	Ethyl alcohol and other spirits, denatured - any strength	30%	5%	5%	30%
2208 20	Spirits obtained by distilling grape wine or grape marc; In containers holding 2 l or less	150%	150%	150%	150%
2208 30	Whiskies: In containers holding 2 l or less	150%	150%	150%	150%
2208 40	Rum and other spirits obtained by distilling fermented sugarcane product; In containers holding 2 l or less	150%	150%	150%	150%
2208 50	Gin and Geneva; In containers holding 2 l or less	150%	150%	150%	150%
2208 60 00	Vodka	150%	150%	150%	150%

Source: Technopak Analysis; Data derived from Central Board of Indirect Taxes and Customs (CBIC)

Custom duty and effect of pricing, Delhi Excise

S. No	Price parameter (Per Unit)	Rate of Calculation	Example(INR)
1	Cost, Insurance, freight (CIF)	Determined	100
2	Custom Duty	1.5	150
3	Import fee (per quart)	50	200
4	Profit Margin	Determined by licensee	90
5	EDP (deemed)	(1+2+3+4)	540
6	Profit margin for L1	12% of 5	65
7	WSP	(5+6)	605
8	Excise Duty	85% of WSP up to 1000+ 50% of amount by which MSP exceeds Rs 1000	514
9	VAT	Applicable rate X(7+8)	448
10	Price to retailer	(7+8+9)	1,567

Source: Technopak Analysis; Data derived from Delhi Excise policy

COVID-19 leads to opening of e-commerce and home delivery channel for alco beverages market in India

In May 2020, some states in India launched e-commerce trials for the first time in response to over-crowding in liquor stores, which followed the relaxation of the country's lockdown measures. Maharashtra, Punjab, West Bengal, and Chhattisgarh were the first adopters, with several other states later following suit. The two popular models of e-commerce being tried in India is supply through an aggregator who can pick stocks from retailers or direct supply from retailer to the customers.

Some states are also allowing third-party operators to deliver alcohol. In June 2020, tech giant Amazon had received authorisation to deliver alcohol throughout West Bengal. But as alcohol ecommerce gathers momentum around the world, lawmakers are having to play catch-up by amending legislation and closing existing loopholes.

Point of sale activations and digital media are driving marketing and brand building initiatives in alco-beverage industry

Alco-beverage category being media-dark in India, point of sale activations and promotion in food services sector are the most important outlet for of surrogate marketing. Marketing in alco-beverage category is also done through sports tournaments, events, music festivals, and brand extensions in mineral water or other commodities offered under brand's name.

Mass media advertising as part of Above the Line ("ATL") marketing has been banned in India as per the Cable Television Network (Regulation) Amendment Bill, which came into effect on September 8, 2000. Digital media has become very important in alco-beverage marketing. Digital marketing has helped alco-beverage industry reach more consumers and made alcoholic beverages more accessible than before. Influencer-led campaigns have become a very integral part of marketing mix.

Alco-beverage companies work with lifestyle and alco-beverage influencers on a long-term basis who help them convert people from being just a brand advocate to become a brand loyalist. Alco-beverage companies have come together and taken up promotion of responsible drinking including 'No Drink and Drive' as part of their marketing and advertising plans.

Growth Drivers

Indian alco-beverage industry is leveraging demographic dividend, growing income level and rapid urbanisation to be one of the fastest growing markets in the world

Indian alco-beverage industry has been one of the fastest growing markets in the world. The outlook continues to remain positive due to favourable demographics, expanding middle class, rising disposable income levels, greater preference for premium food and drink experiences and greater acceptance of alcoholic beverages in social circles. Increased consumption of liquor in rural areas will be another major reason for the growth in the market.

India is expected to add close to 10 to 12 million people to its workforce every year over the next two decades, with the working-age population projected to cross one billion by 2030. With a growing number of people joining the work force sooner than in the past and together with changing lifestyles and dismantling of social barriers to consumption of alcohol is driving growth in alcoholic beverage market in India. Greater social acceptance for drinking amongst women as well as in Tier II and Tier III towns is expected to open newer profitable consumer segments. Rapid increase in urban population, a sizable middle-class population with rising disposable income, and a growing economy are driving consumption of alcohol in India. In addition, 10 to 12 million people are expected to enter the legal drinking age each year. These factors will also result in consumers choosing to upgrade to more quality offerings.

Premiumisation of Alco-beverages in India

Premiumisation is the most important theme in each of sub-segments of Indian alco-beverage sector. Volume growth in Indian alco-beverage market was led by popular segment in first decade and half of the century. However, market has transitioned to value led growth in more premium segments in the last decade. The trend of premiumisation is prevalent across the value chain including launch of new products, branding of shelf space in retail outlets and company outreach to its customers through multiple marketing initiatives.

Moreover, with the rise in disposable income, consumers would tend to upgrade their preferences, resulting in higher demand for products from prestige, premium and luxury segments. Rapid urbanisation is also leading to spur in aspirational values of people, driving consumption of premium alco-beverage brands. Indians travelling abroad are also leading to an upgrade towards premium segments in the alco-beverage market. The trend is further amplified with the rising influence of social media on the millennials and rising aspirations.

COVID-19 induced Premiumisation

COVID-19 has also increased growth of premiumisation in the alcoholic beverages market in India. Restrictions in the food services sector and hesitancy of people to go out in crowded areas during the pandemic led to drinking at home becoming more acceptable and common. Off-trade sales firmed up as On-trade sales was literally shut down. Consumers opt for more expensive premium drinks when drinking at home due to lower price for an Off-trade purchase in comparison to On-trade consumption. Drinking at home also became socially acceptable and availability of home delivery services further drove consumption.

Prominence of new channel of sales

COVID-19 has ensured that new channels of sales get more prominence. Home delivery and limited e-commerce in alco-beverages became a reality during the pandemic. Convenience and better purchase experience with higher comfort level of women make home delivery a promising channel of sales. Home delivery can improve the penetration of alco-beverage industry as the number of outlets remain very limited in India. However, this may

also be a temporary phenomenon as state governments allowed home delivery to ensure that alcohol sales volume and related excise revenues can be maintained. Home delivery of alcohol was started in some states during COVID induced lockdown to cover losses in revenue as well as to control the crowd at liquor shops. However, there is a need for detailed regulations in this space as this channel has a lot of potential for growing the alco-beverage market.

Growth of in-home consumption

There has been a shift in consumer drinking habits post COVID-19, with drinking becoming more common at homes. Consumers can spend lesser amount of money and consume more premium alcoholic beverages while drinking at home, as compared to drinking at restaurants, hotels, pubs, and bars etc. Alco- beverages have been a part of the social life for many consumers, which was majorly disrupted due to lockdown and restriction in the food services industry. Hence, house parties and small social gatherings involving alco-beverages have become increasingly common post COVID-19.

Influence of On-trade

On-trade sales have a key role in introducing new tastes to consumers. As new products get prominence in On - trade, the off- trade segment picks up, giving the product category a multifold growth. This is true for multiple products like pasta and pizza where seeding of product was done in the food services segment followed by multifold growth in retail channel.

On-trade sale has been one of the key drivers of growth and premiumisation in Indian alco-beverage industry. Increasing preference for premium food and drink experiences is driving consumption of alco beverages in On-trade channel. The emergence of novel food and beverage formats is further driving the On-trade sales of alco-beverages as consumers with higher disposable income spend more on alcoholic beverages as a share of their overall bills.

On trade alco-beverage sales shrunk during Fiscal 2021 due to the first wave of COVID-19 and the resultant lockdowns and restrictions in the restaurant industry. Sales is expected to pick up as people will start going out and a new normal will be established. On-trade platforms like PBCLs (pubs, bars, clubs, and lounges) and FDR (Fine Dine Restaurants) also serve as a medium of surrogate marketing.

Reduction in social taboo around alcohol consumption and social drinking

Attitude towards alco-beverages has in the recent past been changing due to globalisation, rising prosperity and changing consumer demographics. A greater share of young population and the rising influence of social media has led to acceptance of alcohol consumption across genders and age groups. It has become common for families to sit together and drink on special occasions and certain festivals. Rapid urbanisation has also led to increasing alco-beverage consumption within the metropolitan and tier 1 cities. There has been a shift in trend from binge drinking to social drinking among friends, professional settings as well as in families. As participation of women in workforce increases and their disposable income is also increasing, women are increasingly indulging in alco-beverage consumption.

Favorable excise policies can drive growth in Indian alco beverage market

Multiple states are coming up with favorable excise policies which promote better customer experience. There are opportunities to set up attractive retail outlets at prominent locations including malls and airport. States are revisiting the excise policies with the dual objective of better customer experience as well as revenue maximisation. Multiple states have also taken initiatives to rationalise tax structure and recover the revenue loss by higher sales.

Barriers to Entry in the Indian Alco beverage market

Regulatory Barrier

Indian alco-beverage industry operates in a highly regulated environment with state-specific policies which impact industry volumes. High inter-state duties compel Indian spirits producers to set up owned or engage third-party manufacturing units in every state. Licenses are required to produce, bottle, store, distribute or retail alco-beverage products. Distribution of alco-beverages is also highly controlled, both at the wholesale and retail levels. All these factors serve as potential entry barriers for new players.

Fragmented distribution chain and strong relationship between incumbents

Distribution of alco beverage products is highly controlled by state government. The universe of retail outlets for alco-beverage industry in 2021 is estimated at close to one lakh outlets. The entry of new players in distribution is prohibitive due to high regulation across states and strong relations between the current players and the retail outlets which may include exclusive arrangements.

Limited access to marketing levers with ban on Above the Line (“ATL”) advertising

Alco-beverage category in India is media-dark. Mass media activation including Above the Line (“ATL”) marketing activation has been banned in India as per the Cable Television Network (Regulation) Amendment Bill, which came into effect on September 8, 2000. Any new brand will be handicapped as access to marketing levers will be limited.

Bias towards premium and luxury segment in new launches

New launches in Indian alco-beverage market have a bias towards prestige and luxury segment. Indian alco - beverage market across segment has seen multiple launches but there is a clear trend that popular and Prestige segment which contribute close to 80% of the overall are not seeing new launches. Current players are well entrenched in the segment and incremental benefit of new launch in these segments is lower, this also limits the opportunity to drive volumes for new brands. This points to high entry barrier in the segment as profitability is possible only at enhances scale of business.

WHISKY MARKET IN INDIA

India is the largest whisky market in the world leveraging its large and growing drinking population

India is the largest whisky market in the world with almost one out of every second bottle of whisky sold in India. A large population base with positive demographic trends including young population, growing income and increasing urbanisation is driving growth of Indian whisky market. India is traditionally a distilled spirits market with close to 90% of pure alcohol consumption in form of distilled spirits in Fiscal 2021. Growing income has a direct co-relation with increase in per capita consumption and whisky category being the largest category in Indian alco-beverage market will benefit the most from the positive demographic factors and growing income.

World whisky market 2020 (Volume in million cases)

Market	CY 2020
India*	183
USA	50
France	20
Others	125
Total	378

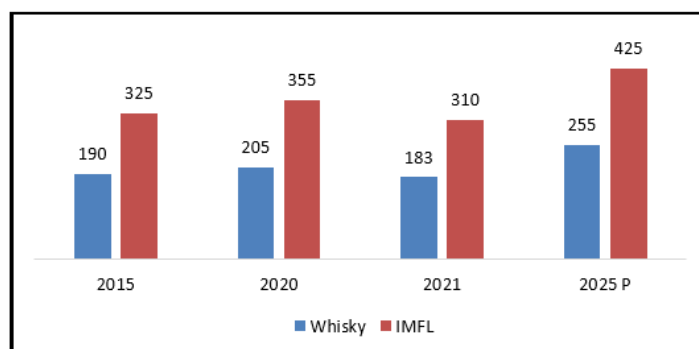
*Source: Technopak Analysis; *Data for India for Fiscal 2021; The millionaires club by Drinks International; Distilled spirit council of USA, Scotch whisky association*

Whisky to lead growth in distilled spirits market in India

Sale of whisky in India in Fiscal 2021 accounted for 59% of IMFL sales by volume and 67% by value. In addition, the popular segment also known as mass premium segment constituted approximately 37% of the total IMFL market by volume in India in Fiscal 2021.

Whisky category to lead recovery of alco beverages in India leveraging economic recovery, pent up demand, strong at home consumption trends and premiumisation trends. Indian whisky market is projected to reach 255 million cases by Fiscal 2025 after a volume decline of close to 10% in Fiscal 2021 due COVID-19 related events including complete lockdowns, loss of sale in On-trade channel and conservative approach of customers’ post COVID-19 pandemic.

Indian whisky market trend for Fiscal (Volume in million cases)



CAGR	2015-20	2020-21	2021-25 P
Whisky	1.5%	-10.7%	8.6%
IMFL	1.8%	-12.7%	8.2%

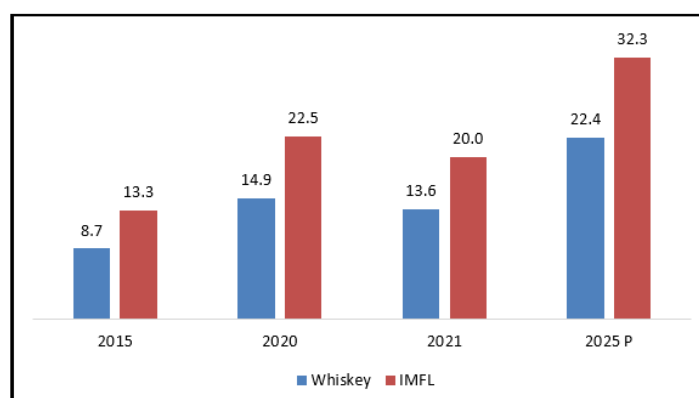
Source: Technopak Analysis; The millionaires club by Drinks International + includes imported

Indian Whisky market projected to reach USD 22.4 billion by Fiscal 2025 leveraging demographic trend, new customers and premiumisation

Indian whisky market valued at USD 14.9 billion in Fiscal 2020 is projected to reach USD 22.4 billion by Fiscal 2025. The market is set to drive value growth with strong premiumisation trends leading to up-trading within the category as well as increasing preference for high value products across price segments. Volume growth in also beverages including whisky category has tapered to a single digit growth from Fiscal 2013 onwards due to overall regulatory issues and general economic trends.

Rising income, growing urbanisation and increasing awareness towards western tastes and trends is driving premiumisation. There a shift in purpose of consumption of whisky from getting a high to recreation and socialising. The industry will leverage strong trends towards premiumisation to drive value growth.

Indian whisky market Trend for Fiscal (Value in USD billion)



CAGR	2015-20	2020-21	2021-25P
Whiskey	11.5%	-9.0%	13.3%
IMFL	11.1%	-11.2%	12.7%

Source: Technopak Analysis; The millionaires club by Drinks International + includes imported

Indian whisky market is traditionally a price sensitive with value segment being the core to the category

Indian whisky market can be divided into four segments including popular, prestige, premium and luxury segments. The value segment consisting of popular and prestige segment contributed close to 87% of total volume for the Indian whisky market in Fiscal 2020. Up-trading from IMIL to popular and similarly popular to prestige segments is one of the strong themes of whisky market.

Prestige segment also known as deluxe segment is the largest segment for whisky market contributing 50% of the whisky market by volume in India at 91 million cases in Fiscal 2021, showing consistent growth over the years and projected to reach 135 million cases contributing 53% by Fiscal 2025. It is projected to add highest number of cases to the overall whisky market in India.

Popular segment also known as mass premium segment will continue to play an important role in the price sensitive category including rural markets and IMIL market. Popular segment or mass premium segment with sale

of 67 million cases in Fiscal 2021 contributed 37% by volume to whisky market in India. It is projected to reach 83 million cases by volume in Fiscal 2025.

Premium segment is projected to grow at the fastest rate among all segments, leveraging strong premiumisation trends, urbanisation, rising income, and a young and aware customer profile. Luxury segment is driven by high end imported whisky including blended as well as single malt whisky consisting of bottled in India (“**BI**”) and bottled in origin (“**BIO**”) products with a strong market in On- trade segment including hospitality segment.

Category split by Price Range and Segments (in ₹)

Segment	Price Range (Rs)	Brands
Popular	Up to 450	Aristocrat, Bagpiper, Bangalore Malt, Director’s Special, Gold Riband, Haywards Fine, Officer’s Choice, Original Choice, Old Tavern
Prestige	450-1,000	Director’s Special Black, Imperial Blue, McDowell’s No. 1, Officer’s Choice Blue, Royal Stag, Royal Green Whisky, White and Blue , Sterling Reserve B7, Royal Challenge
Premium	1,000-2,200	100 Pipers, Blender’s Pride, Signature, Sterling Reserve B10 Premium
Luxury	2,200 and above	Chivas Regal, 100 Pipers 12 Years, Paul John, Rampur, Amrut, Ballentine,

Source: Technopak Analysis; *Price as Karnataka State Beverages Corporation for 750 ml pack

Pricing of whisky in different states of India has high degree of variation

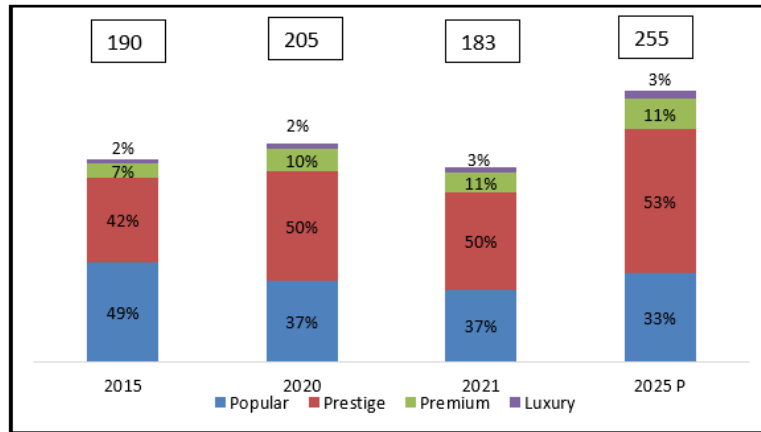
Prices of also beverages in India are controlled by respective state governments with varying tax structure leading to high variation in prices across states.

IMFL Whisky split by Price Range and Segments (in ₹)

Segment	Brand	Delhi	Karnataka
Popular	Officer's Choice	340.00	440.33
Prestige	Director’s Special Black	410.00	726.11
	McDowell's No.1	420.00	821.74
	Officer’s Choice Blue	420.00	821.74
Premium	Blender's Pride Reserve Coll.	930.00	1,964.59
	Sterling Reserve B 10	830.00	Not Registered
	100 Pipers 8 YO	1,970.00	3,493.82
Luxury	Ballantines	1,490.00	3,500.00
	Jack Daniels	2,730.00	5,490.29

Source: Technopak Analysis, State excise dept.; Note: Latest prices as per excise dept of Delhi and Karnataka. Price for 750 ml pack

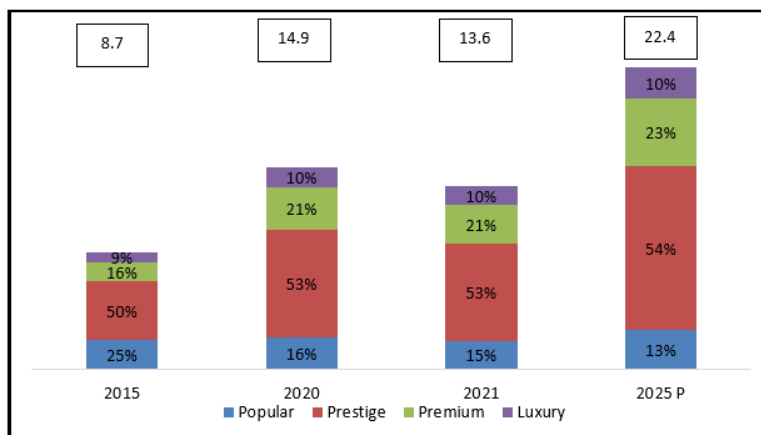
Segment wise split of whisky sales for Fiscal (volume in million cases)



Segment	2015-20	2020-21	2021-25P
Popular	-3.9%	-11.5%	5.5%
Prestige	5.2%	-10.7%	10.3%
Premium	10.1%	-9.7%	10.9%
Luxury	4.4%	-4.1%	10.4%
Overall	1.5%	-10.8%	8.7%

Source: Technopak Analysis; The millionaires club by Drinks International; Annual reports

Segment wise split of Whisky sales – for Fiscal (Value in USD billion)



Segment	2015-20	2020-21	2021-25P
Popular	1.8%	-12.6%	9.3%
Prestige	12.7%	-8.9%	13.7%
Premium	17.9%	-9.4%	15.0%
Luxury	14.1%	-2.6%	13.3%
Overall	11.5%	-9.0%	13.3%

Source: Technopak Analysis; The millionaires club by Drinks International; Annual reports

Strong presence in value segment is key to drive growth in premium and luxury category

Contribution of premium and luxury segment by value is projected to reach 33% of the overall whisky market by Fiscal 2025 from 31% in Fiscal 2021. However its contribution by volume would still be close to 14% in Fiscal 2025. The complex regulatory environment and interstate variations as well as interstate applicable taxes makes it necessary for companies to drive volumes across all segments. Alco-beverage companies need a strong presence in value segment including popular and prestige segment to gain from presence in premium and luxury segments by driving operational leverage.

Allied Blenders and Distillers have successfully leveraged their strength in popular segment to launch successful brands in both prestige and premium segments. Its recent launch in premium segment, Sterling Reserve is the most successful launch in the premium segment, quickly achieving the millionaire case status in the first year of its launch.

United Spirits Limited, India's leading player in spirits market has hived off a large part of its brand portfolio consisting of brands from popular segment as a franchisee business. The company has further rationalised its portfolio by selling thirty two brands and franchising another twelve brands. This has increased its contribution of prestige and above price segment to 85% from the current 74% by value. Contribution of popular segment to sales for United Breweries has come down from 54% in Fiscal 2015 to close to 15% by value in Fiscal 2022 after this rationalisation of brand portfolio.

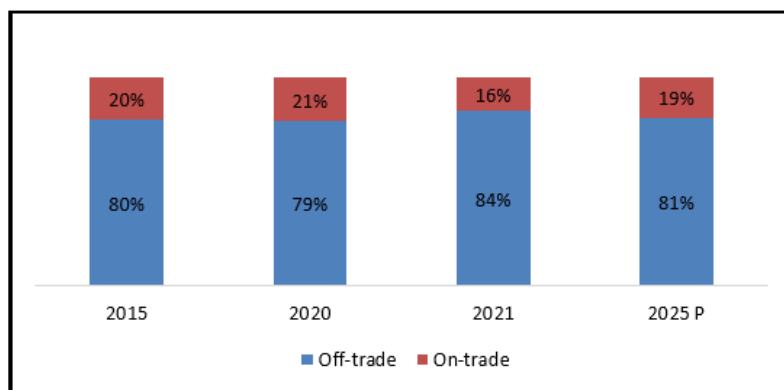
Pernod Ricard, India's second largest player in alco-beverage market does not have any brand in the popular segment but it has gained prominence in the Indian whisky market through its marquee brands in prestige segment including Imperial Blue and Royal Stag growth in premium segments also drives profitability for companies in the alco-beverage segment as share of excise as a percentage to overall pricing is lower as compared to popular segment. Higher prominence and growth in premium and luxury segments of whisky category also ensures that incidence of alco-beverage consumption in lower strata of the society which may suffer more due to perceived addictive nature of product, is lower. Many states have come up with favourable policies towards premium and luxury segment of alco beverages including a customer friendly retail environment and presence in high retail locations.

On Trade prominence is key to growth of premium and luxury segments

On-trade activations are key to driving sale of products from premium and luxury segment. It is more important in alco-beverage market as marketing levers are limited due to media dark nature of the industry. Alco beverage companies use On-Trade platform to promote range, new launches, and other marketing activities to engage with the target group of customers. The young profile of Indian consumer with a growing popularity of alco beverages as a social drink and an element of recreation makes the role of On -Trade segment a very important lever.

On- trade sales shrunk during Fiscal 2021 due to the first wave of COVID-19 and the resultant lockdowns and restrictions in the restaurant industry. COVID-19 pandemic has ensured that in-home consumption grows as a much stronger segment. Alco beverage companies are engaging with their target group through digital channels to promote Do It Yourself (DIY) trend, promoting product innovation and customer engagement through ready to drink versions of their popular brands, product hacks on whisky-based cocktail ideas and other in-house party ideas. Growth of e-commerce in alco -beverage can add more strength to increase in-home consumption of whisky. Complete recovery of On-trade channel will be a long and slow process due to multiple waves of COVID-19 and related changing customer behaviour.

Sales split by value: On Trade vs off Trade for Fiscal



Source: Technopak Analysis, Primary Research

Importance of exports and import to whisky category in India

Indian whisky is unique as it is not bound by any rules on ageing or storage in specialised casks. Indian whisky is only required to use ethanol produced from an agricultural source. Weather condition in India can also be detrimental to ageing of alcohol as losses are higher in Indian tropical weather. Indian sugar companies use molasses produced as a by-product during processing of cane sugar, to produce extra neutral alcohol (“ENA”) which is sold off to Indian spirits companies, though top spirits companies in India are nowadays largely using ENA produced from Grain in their IMFL products.

Imported whisky plays an important role in blending with Indian grain whisky. Majority of whisky imported in India is used to blend with Indian grain whisky. Another important segment of imported whisky includes whisky that is imported in bulk and bottled in India (BII segment). This constitutes a large part of the premium segment. Luxury segment of whisky is dominated by bottled in origin (BIO segment) whisky with both blended as well as single malt whisky. Imported whisky is marketed in India highlighting its pedigree including ageing, quality of

wash, use of specialised barrels, filtration process as well as expertise in blending process. Scotch whisky has the highest contribution to imported whisky in India. The top spirits companies in India today include the top two companies of the world which has led to access to the marquee brands of the world in India.

Any import of alco-beverages including whisky's is liable to a customs duty of 150%. This is applicable on finished product like scotch whisky bottled in country of origin or bulk scotch whisky imported for bottling in India as well as intermediate products like undenatured ethyl alcohol which may be used for blending with production in India.

World's Top Exporters of Whisky by volume (2020)

Rank	Country	% Share
1	United Kingdom	53.1%
2	United States	10.7%
3	Ireland	7.9%
12	India	1.0%

Source: Technopak Analysis

UAE imports approximately 43% of the total whisky exported by India

Export of Indian whisky is limited as Indian whisky does not conform to specifications listed for whisky in major markets of the world. Indian whisky is popular in countries with large Indian diaspora with middle east being the biggest market for Indian whisky.

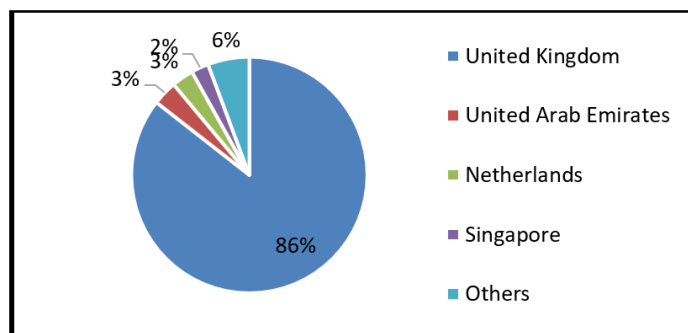
In 2020, India exported approximately 6.12 million cases of whisky to other countries in the world. United Arab Emirates (UAE) was the largest importer of IMFL whisky importing 23.7 million litres (2.6 million cases) in 2020 accounting for 43% of the total share.

Indian whisky companies have started to develop marquee brands adhering to the highest quality of raw material and processing standards to come up with unique product offerings which stand out for product notes and flavour as well as overall product quality. Amrut Single Malt Whisky and Paul John Single Malt Whisky are two products with successful launch in this category. Top alco-beverage company including United Spirits and Pernod Ricard have also forayed into India based single malt products.

India gets approximately 86% of its total imports from the United Kingdom

United Kingdom is the largest exporter of whisky to India. India was the second largest importer of scotch whisky by volume in the world in 2019.

Country wise split of whisky imported by India by volume for 2020 (in %)



Source: Technopak Analysis; Trade map

Country wise import of Scotch Whisky by CT (Volume in million 70 cl) bottles

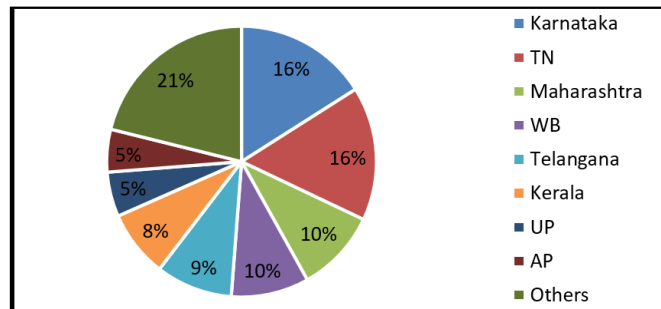
Country	2020	2019	% Growth
France	173	176	-2%
India	95	131	-27%
USA	112	127	-12%
Japan	45	60	-25%
Brazil	45	43	5%
Germany	50	43	16%
Others	620	700	-11%
Total	1,140	1,284	-11%

Source: Technopak Analysis; Scotch whisky association; Note: 70 cl bottle equivalent to 700 m

Southern states contribute close to 45% of Indian Whisky market

Indian IMFL market is dominated by five Southern States in India contributing more than 50% of total consumption by volume. Karnataka and Tamil Nadu are the top two markets in the country contributing more than 30% of overall consumption of IMFL by volume in India in Fiscal 2020. Prohibition of country liquor has led to growth of IMFL in southern states. Southern States contribute close to 45% of whisky sold in the country.

State wise sale of IMFL in India by volume– Fiscal 2021 (Total volume 310 million cases)



Source: Technopak Analysis; Data derived from excise dept multiple states

State wise ranking by Whisky sales in India – Fiscal 2021 (Total volume 183 million cases)

State	Rank
Karnataka	1
Telangana	2
Maharashtra	3
Uttar Pradesh	4
Andhra Pradesh	5

Source: Technopak Analysis; Data derived from excise dept multiple states

Key players in Indian whisky market

Indian IMFL market is a concentrated market with top three players controlling close to half of the Indian IMFL market by volume in Fiscal 2021. These three companies are also the top whisky selling companies in India.

United Spirits Limited is the leader of Indian IMFL market. It achieved the coveted distinction of the largest spirits company in the world by volume with largest number of millionaire brands in the world till 2015. United Spirits Limited is controlled by the largest spirits company in the world, Diageo plc. United Spirits has 8 millionaire brands in the Indian whisky category including McDowell’s No. 1 which was the top selling whisky in the world for calendar year 2020 by volume.

Pernod Ricard India is wholly owned subsidiary of Pernod Ricard S.A. It is the second largest company in the IMFL market in India. Pernod Ricard has played a key role in premiumisation of Indian whisky market with a range of iconic brands including Imperial Blue, Royal Stag, and Blenders Pride. Pernod Ricard acquired wine and spirits business of Seagram in India which gave it a prominent position Indian IMFL market. It is the most profitable company in alco-beverage industry in India. It has 3 millionaire brands in Indian whisky category for calendar year 2020.

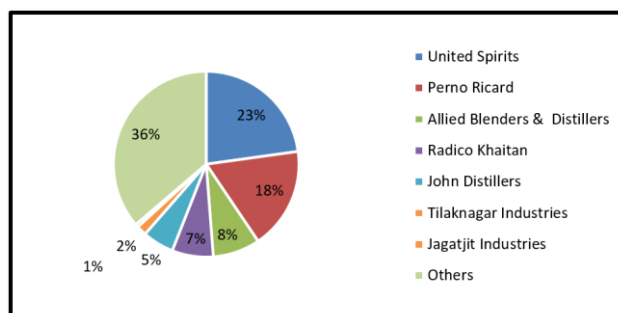
Allied Blenders and Distiller is the largest IMFL company and the third largest IMFL company in India, in terms of annual sales volumes between Fiscal 2014 and 2021. Allied Blenders and Distiller is one of only four spirits companies in India with a Pan-India sales and distribution footprint, and a leading exporter of IMFL, in terms of annual sales volumes between Fiscal 2019 to Fiscal 2021 with an estimated peak share of 20% in Fiscal 2021.

Allied Blenders and Distillers India has a portfolio of millionaire brands or brands that have sold over million 9-litre cases in one year. Its brands such as, Officer’s Choice Whisky, Sterling Reserve and Officer’s Choice Blue, are ‘millionaire Brands’. Its top selling whisky brand Officer’s Choice, launched in 1988 rose to the top of Indian market with sale of 25.12 million cases in Fiscal 2016. Officers’ Choice franchise including Officer’s Choice Whisky and Officer’s Choice Blue bettered its performance by selling of 34.15 million cases in Fiscal 2016. Its flagship brand Officer’s Choice Whisky franchise has been among the top selling whisky brands globally in terms of annual sales volumes between 2016 and 2019. Officer’s Choice Whisky franchise including Officer’s choice Blue is currently ranked third among the largest selling whisky brands globally in 2020. Officer’s Choice Whisky is the market leader in the popular segment also known as mass premium segment in India with a market share of 23% in terms of annual sales volumes in Fiscal 2021.

Allied Blenders and Distillers has successfully transitioned from an exclusive popular segment play in whisky category with successful launches in both prestige and premium category. Officer’s Choice Blue whisky, its offering in prestige segment sold one million cases in the first year of its launch in 2011 and is among the leading whisky brands in its segment in several Indian states with overall peak share of 8.4% in Fiscal 2020 by – sales volume. it touched sales of 8 million cases within four years of its launch in 2015-2016. Officer’s choice blue whisky with sale of 5.8 million cases in Fiscal 2021 is the fifth largest whisky brand in India in prestige segment also known as deluxe segment.

Allied Blenders and Distillers entered premium segment in 2017 with its twin offering Sterling Reserve Blend 10 and Blend 7 which crossed one million cases in first year of launch. In calendar year 2019, Sterling Reserve was the fastest growing spirits brand globally by volume, at a growth rate of 131%. Sterling Reserve was the fastest growing spirits brand by volume in India in Fiscal 2021 with 2% growth whereas other whisky brands in the segment degree. Sterling Reserve Blend 7 is the third largest selling brand in the premium whisky segment by volume in India in Fiscal 2021. Allied Blenders and Distillers is also the top exporter of IMFL from India with close to 20% share in overall exports from India by volumes in Fiscal 2021.

IMFL market in India by players – Fiscal 2021 (Total volume - 310 million cases)



Source: Technopak Analysis; Data derived annual reports, investor presentation

Company wise Rank by Whisky sales in India – Fiscal 2021 (total volume- 183 million cases)

Company	Rank
United Spirits	1
Pernod Ricard	2
Allied Blenders and Distillers	3
Radico Khaitan	4
John Distillers	5

Source: Technopak Analysis; Data derived from annual reports, investor presentation

Key Players in Whisky category in India

Company	Brands
Allied Blenders and Distillers	Officer's Choice, , Officers' Choice Blue, Sterling Reserve Blend 7, Sterling Reserve Blend 10
United Spirits	McDowell's No. 1, Bagpiper, Royal Challenge, Signature, Antiquity, VAT 69, , Black Dog, Johnnie Walker
John Distilleries	Original Choice, Black Pelican, Paul John
Pernod Ricard India	Imperial Blue, Royal Stag, Blenders Pride ,100 Pipers, Chivas Regal, Ballantine's, Glenlivet
Radico Khaitan	8 PM, After Dark, Royal Ranthambore, Whytehall

Source: Industry reports, Technopak Analysis

Indian whisky brands dominate the list of top 30 whisky brands in the world

Indian whisky brands dominate the list of top selling whisky brands in the world. As per 'The Millionaires Club' by drinksint.com in the year 2020, top four highest selling whisky brands in the world are from India and sixteen out of the top thirty-three selling whisky brands in the world are from India. Indian whisky brands have historically dominated the list of top selling whisky brands with fifteen out of top thirty-one in the list in 2016. The top five whisky brands in India sold close to 110 million cases in 2020 which is close to 60% of the overall market in India. The top five whisky brands in India include one each from United Spirits, Allied Blenders and Distillers and John Distillers. Pernod Ricard has two whisky brands in top five whisky brands.

Top selling Indian Whisky brands by ranking and volume

BRAND	World Ranking		India Ranking		Sales (million cases)	
	2016	2020	2016	2020	2016	2020
McDowell's No.1	2	1	2	1	26.6	25.7
Imperial Blue	3	2	3	2	18.0	21.3
Officer's Choice	1	3	1	3	32.9	20.8
Royal Stag	4	4	4	4	18.0	18.5
Original Choice	7	8	5	5	10.8	10.0
Haywards Fine	10	9	7	6	7.9	9.7
8PM	-	10	-	7	-	8.4
Blenders Pride	15	14	9	8	6.2	6.6
Bagpiper	11	15	8	9	7.2	5.3
Old Tavern	8	17	6	10	9.9	4.5
Royal Challenge	17	18	11	11	4.7	4.3
Bangalore Malt	26	20	12	12	2.1	3.5
Director's Special	16	24	10	13	5.0	3.1
Sterling Reserve Premium		27	-	14	-	2.8
Royal Green	31	30	14	15	0.6	2.5
White and Blue	30	33	13	16	1.4	2.1

Source: Technopak Analysis; Drinksinternational.com

New launches in Indian whisky market point to consolidation in popular segment and growing trend of premiumisation in the market

Indian whisky market is witnessing a strong trend towards premiumisation with new launches and brand relaunches in prestige and above segment. Premiumisation of whisky market in India has a strong bias towards up-trading from popular to prestige and similarly prestige to premium segment. Prestige segment is the new popular segment for alco-beverages companies in India as marketing spend is focussed on prestige and above segments. Top companies are launching new products which stand out in terms of the ingredients, flavours, packaging, and other distinctive properties of alcoholic beverages including smell, taste, and sight. Top companies are investing in premium space including Indian single malt. United Spirits entered premium craft whisky segment with the launch of Epitome Reserve, a limited first batch of 2,000 bottles which is made with rice.

Sterling Reserve Blend 7 and Blend 10 are two of the most successful launches in the Indian whisky market by selling more than a million cases in the first year of launch becoming the fastest growing whisky in top 100 whisky brands in the world in 2019.

Popular segment has not seen any activity with a very established pecking order of brands. Officer's Choice whisky from Allied Blenders and Distillers has consistently been the market leader in this segment.

New Launches in IMFL Whisky Segment since 2016

Year	Brand	Company
2016	McDowell's Silk Honey	Diageo/ United Spirits
2018	Oakton Barrel Aged	Unibev Ltd.
	Black Bow Himalayan	Ginglani Distillers
	JW White Walker	Diageo/ United Spirits
	Governer's Reserve	Unibev Ltd.
2019	Singleton of Glendullan	Diageo/ United Spirits
	Woodburns	Fullarton Distilleries
	Sterling Reserve B7	Allied Blenders and Distilleries
	Sterling Reserve B10	Allied Blenders and Distilleries
2020	Ardbeg Wee Beastie	Ardbeg Distilleries
	Suntory Toki	Beam Suntory
	Copper Dog	Diageo/ United Spirits
2021	Oaken Glow	Pernod Ricard
	Epitome Reserve	Diageo/ United Spirits
	Royal Ranthambore	Radico Khaitan
	Jameson Black Barrel	Pernod Ricard
2022	Godawan Single Malt	Diageo/ United Spirits
	Indri	Piccadily distilleries

Source: Technopak Analysis

Cost Structure of the Industry

States and union territories in India have adopted different approaches to taxing and regulating alco-beverages. Pricing of alcohol is strictly controlled by respective states. Each state has its own formula of deciding the prices of alco-beverage products. Price is determined by two key factors including Ex-distillery price (“EDP”) which covers the cost of production and state excise policies which specify duties, license fees, cess and surcharges, wholesale margin and retail margin. Taxes and margin are calculated as a percentage of EDP. Contribution of taxes progressively decreases as the EDP moves up as per the category of the product.

One of the key challenges in the Indian alco-beverage industry is revision of MRPs with increasing cost of production. MRP revisions need to be approved by the states as it is the prerogative of the respective excise departments. While the window to revise MRPs in many states is annual in nature, in some states like Kerala and Telangana revision of MRPs can take three to four years, even though price of raw material may increase or decrease through the year. There are exceptions like Maharashtra where MRPs can be revised through the year.

State excise departments also charge multiple annual fees including brand label registration fees before marketing of the given brand is allowed. This fee can be annual or once in three year or one time as well. Other fees can include bottling fees, stock transfer fees, import and export fees.

State wise cost structure of the Popular and Premium segment (in %)

State	Premium			Popular		
	Ex distillery	Excise	Sales Tax	Ex distillery	Excise	Sales Tax
Maharashtra	19%	37%	27%	16%	41%	27%
Andhra Pradesh	18%	7%	-	12%	10%	-
Telangana	18%	19%	-	10%	24%	-
Delhi	18%	-	-	20%	-	-
Haryana	20%	6%	4%	24%	15%	6%
West Bengal	18%	38%	-	11%	68%	-
Uttar Pradesh	18%	40%	-	12%	68%	-

Source: Technopak analysis; State excise websites

Factors driving premiumisation in whisky segment in India

Rising income and rapid urbanisation

Rise in disposable income is leading to consumers upgrading their preferences, resulting in up-trading in from country liquor to IMFL whisky and up-trading within categories of IMFL whisky including popular, prestige, premium, and luxury segments. Rapid urbanisation is also leading to spur in aspirational values of customers. The emergence of new consumers expecting more sophisticated experiences is driving the demand for premium quality whisky with up-trading in each segment.

Growing awareness and exposure to international trends

Indians travelling abroad is also leading to an upgrade towards Premium segments in the whisky category. The trend is further being amplified with the rising influence of social media on the millennials and their rising aspirations.

Changing Profile of customer seeking new experiences and high-quality products

The shift in trend of consumption of whisky towards drinking better quality products rather than focusing on the quantity is leading customers to choose premium brands in each segment. Higher disposable income with a greater need to explore new products and experiences serves the premiumisation of whisky in each segment.

Shift towards a healthier lifestyle

In last few years, there has been a shift in lifestyle with consumers choosing to live a healthier life. This trend has become stronger post COVID-19 pandemic. Customers are ready to pay a premium to move to a better quality product in each segment. This is going to help up-trading within each segment as well as up-trading from one segment to the other as higher priced products are perceived as healthier.

Emergence of technology and changes in ways of socialising

Technology boom and prevalence of western culture of social drinking is driving premiumisation in whisky category. Consumption of alcohol is socially more acceptable among millennials There is a shift in the way people socialise from late night parties to pubs and lounges and informal food-related occasions at-home. This trend has significantly grown during COVID-19 which has led the companies to offer more products in the premium and luxury range.

Evolving Retail experience

Retailing of alco- beverages including whisky is going through transition in India. Multiple states through their excise policies have allowed for a better retail experience including larger stores, stores at high retail destinations, evolved merchandising, and product tastings. This is leading to a positive effect and up-trading of brands by the customer.

COVID-19 induced premiumisation with strong and sustainable growth in In-house consumption segment

Restrictions in the food services sector and hesitancy of people to go out in crowded areas due to COVID-19 pandemic has led to drinking at home becoming more acceptable. Off-trade Prices being lower than On-trade prices has led to consumers opting for more expensive premium drinks when drinking at home. COVID-19 has strengthened the In- home consumption trend with prominence of Do it yourself (“DIY”) trends.

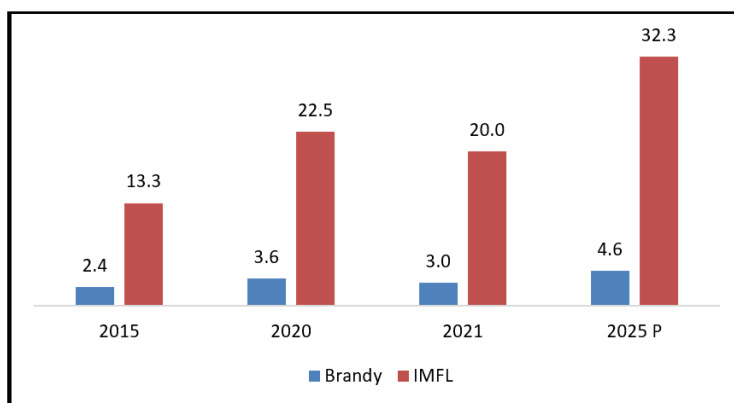
BRANDY MARKET IN INDIA

Brandy is the second largest IMFL segment in India

Brandy is the second largest segment of India IMFL market with sale of USD 3 billion in Fiscal 2021. It accounts for approximately 15 % of the total IMFL market by value. Brandy category witnessed a trend like whisky during COVID-19 and saw a de-growth of 16% by value but is further projected to grow at a CAGR of 10% over the period of Fiscal 2021 to Fiscal 2025. It accounted for 20% of total volume of IMFL market in Fiscal 2021 witnessing a sharp decline of 13% by volume in Fiscal 2021. It is projected to grow at a CAGR for 7.4% by volume from Fiscal 2021 to Fiscal 2025.

As per the Food Safety and Standards Authority of India (“FSSAI”)’s alcohol beverages regulations 2018, Brandy is a beverage made by distillation of wine. It may be aged or matured to possess aroma and taste of brandy. Unlike brandies from European and other western countries, Indian blended brandy is a mixture of minimum 2% of pure grape brandy with any other fruit or flower brandy as recommended by the Indian Law. Indian brandies are permitted to use ENA from other sources of agricultural origin. It is convenient for the producers as it is very cheap compared to brandy made from distillation of 100% grapes. India’s tropic and warm weather almost round the year does not make brandy a suitable drink for all seasons due to its warming effects on the body.

IMFL Brandy Sales (in USD billion) and CAGR for Fiscal



CAGR	2015-20	2020-21	2021-25 P
Brandy	8%	-16%	11.2%
IMFL	11.1%	-11.2%	12.7%

Source: Technopak analysis

Brandy Segments by Price/Product

Brandy consumers in India are price sensitive as maximum brandy brands are in the popular and prestige segments that fall under ₹ 850. However, IMFL brandy market is showing trends towards premiumisation as majority of new launches are in premium and luxury segments.

Category split by Price Range and Segments (in ₹)

Segment	Price Range (Rs)	Brands
Popular	Up to 450	Duchess VSOP, Mont Castle Grape, Officer's Choice, Old Admiral, White House VSOP
Prestige	450-800	Courier Napoleon, Mansion House, Imperial's, Aristocrat, McDowell's VSOP, Black and Gold
Premium	800-1,500	Morpheus XO, 1848 Premium, Kyron, Whytehall, Gold Reserve Premium, Roulette, Imperial Napoleon
Luxury	1,500 and above	Janus 100% Grape, Hennessy, Morpheus Blue, St. Remy

Source: Technopak Analysis; *Prices according to Telangana state

There is high degree of variation in price structure of brandy in different states.

Each state in India has independent cost structure with unique excise duties and other applicable taxes on alcoholic beverages which leads varying prices from state to state.

Brandy split by price range and segments (price in ₹)

Segment	Brand	Telangana	Karnataka
Popular	Old Admiral	300	360
	Mansion House	450	910
Prestige	McDowell's VSOP	450	910
	Kyron	810	1,750
Premium	Morpheus XO	840	1,750
	Janus 100% Grape	2,340	3,340
Luxury	Hennessy VSOP Cognac	8,320	10,920

Source: Technopak Analysis and state excise dept.; *Latest prices according to excise dept

Key Players and Key Launches

The major players that dominate the brandy market are same as the whisky segment. United Spirits and Radico Khaitan followed by Allied Blenders, Tilaknagar Industries and John Distilleries are top producers of IMFL brandy in India. McDowell's, Honeybee and Old Admiral are the bestselling brandies in India.

Key Players in Brandy segment in India

Company	Brands
Allied Blenders	Officer's Choice, Kyron
Bacardi	Good Man
United Spirits	McDowell's VSOP, Honeybee
John Distilleries	Roulette, Mont Castle
Radico Khaitan Limited	Morpheus, Whytehall, Old Admiral
Tilaknagar Industries	Mansion House

Source: Technopak Analysis

Premium Category is leading new launches in brandy segment in India

New launches of brandies are in the premium and luxury price segment appealing to the higher income group consumers.

New Launches in IMFL Brandy Segment since 2015

Year	Brand	MRP
2015	Janus	3,338
2018	Laffaire Napoleon Premium French	1,862
2019	Sparta VSOP	
	Hennessy Paradis	7,900
2021	Burlingtons VSOP	
	Courrier Napoleon Green	
	Paul John XO	10,000
	Martell Dame-Jeanne	
2022	Morpheus Blue XO	1,748
	Bacardi Good Man	

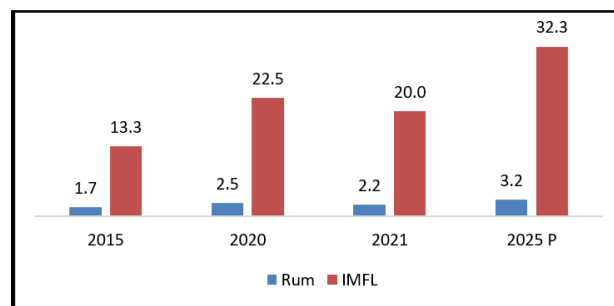
Source: Technopak Analysis; State excise dept, Karnataka; Note: Data based on availability; Prices for Karnataka for 750 ml pack

RUM MARKET IN INDIA

Rum is a liquor made by fermenting and then distilling sugarcane molasses or sugarcane juice. It is available in two types- dark rum and light rum. Dark rum is the more popular category which gets its distinctive characteristics from addition of caramel or by the maturation in oak containers. The sales of IMFL rum are driven by canteen stores department or army canteens. Rum is also the preferred alco-beverage drink in the southern and eastern states of India.

The IMFL Rum segment with a market size of USD 2.2 billion de-grew by 13 % by value in Fiscal 2021 due to COVID-19. However, the projected CAGR from Fiscal 2021 to Fiscal 2025 is 12.5% by value to grow to USD 3.2 billion in Fiscal 2025. IMFL Rum volume was close 45 million cases in Fiscal 2021. It is projected to reach approximately 59 million cases in Fiscal 2025.

IMFL Rum Sales (in USD billion) and CAGR



CAGR	2015-20	2020-21	2021-25 P
Rum	8.5%	-13.0%	9.9%
IMFL	11.1%	-11.2%	12.7%

Source: Technopak Analysis

WINE MARKET IN INDIA

Wines as undistilled alco beverage contribute close to 13% to pure alcohol consumption globally but In India the contribution is approximately 0.1%

Consumption of wine in India is limited but it's one of the emerging alcohol beverage category in India. Growing awareness of perceived health benefits of wines underpinned by income growth and changing profile of consumers is driving growth in wine category.

However, supply and demand side constraints have limited the growth of Indian wine market. India being a price conscious market and alcohol beverages sale primarily driven by consumption to get a high are demand side factors for low sale of wines in India.

Supply side constraints include weather conditions limiting production of wines and high tariff as well as treatment at par with other alcohol beverages with stringent regulatory norms. Non-native markets in Asia including China, Japan and South Korea have developed into large markets for wines driven by imported wines. However, uniform tariff structure for all alcohol beverages in India has limited the growth of imported wines in India.

Domestic wine manufacturers have invested in the value chain including upstream and downstream operations to leverage growing acceptance of wines in the premium and luxury segment in metro cities in India. Mega and mini metros including Mumbai, Bangalore, Delhi-NCR, Hyderabad, and Pune are the major consumption centres for wines in India.

Indian Wine Market is projected to grow at a CAGR of 14% in terms of volume from Fiscal 2021 to Fiscal 2025 with domestic players dominating volumes

Indian wine market crossed 2.5 million cases in Fiscal 2020 and is projected to grow to 3.4 million cases by Fiscal 2025

Indian wines are now being noticed with increasing penetration both in Off-trade and On-trade channels. Favorable excise policies in select states is driving consumption of wines as higher consumption of wines supports the grape farmers.

Indian wine makers are based in Maharashtra and Karnataka. Indian wine market is a concentrated market with domestic players controlling the market. Domestic wine players have steadily increased their prominence in the Indian wine market. The top three players contribute close to 80% of the domestic 100% grape wine market.

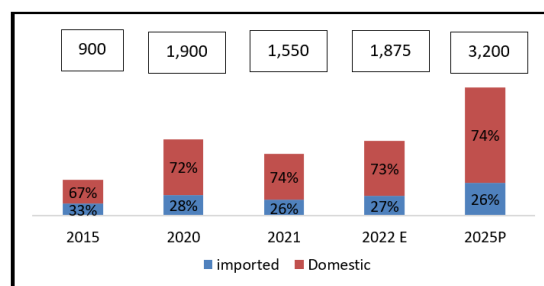
Imported wines have played a critical role in development of nascent wine market in India

Imported wines played a key role in development of wine market in India. However, growth in imported wines has been mute. Its contribution to Indian wine market is projected to go down to 13% in Fiscal 2025 against 17% in Fiscal 2020. Imported wines are prominent in On-Trade segment. Lack of scale, complex regulatory environment and a price conscious market and prominence of domestic wine players are major factors leading to decrease in contribution of imported wines in Indian wine market.

Indian Wine Market is projected to reach ₹ 32,000 million by Fiscal 2025

The Indian wine market reached approximately ₹ 15,500 million by value in Fiscal 2021. Market is expected to go back to the pre-pandemic level by the end of Fiscal 2022 and increase to ₹ 32,000 million in Fiscal 2025 with a CAGR of 20% from Fiscal 2021 to Fiscal 2025 by value. Wine market is leveraging positive factors including premiumisation of alcohol beverage industry, wider acceptance of wine as a social drink and growing perception of wine as a healthy alternative to spirits.

Indian Wine Industry Market Size by value for Fiscal (In ₹ Crore)



Source: Technopak Analysis

BEER MARKET IN INDIA

Beer is the largest category in undistilled alcohol beverage market contributing close to 34% to recorded pure alcohol consumption in the world.

Beer is the second most consumed alcohol beverage in the world after spirits in terms of recorded pure alcohol consumption. Consumption of beer is higher than spirits in Europe and American continents. Beer contributes

close to approximately 8% of recorded consumption of pure alcohol in India. A low per capita consumption as compared to developing and developed countries points to opportunity in beer category in India.

Per Capita consumption of Beer in pure alcohol form in 2021 (Volume in litres)

Country	Per Capita Consumption
Germany	5.5
USA	3.9
United Kingdom	3.5
France	2.5
China	1.6
India	0.2
World	1.7

Source: Technopak Analysis; Projected from WHO data

Indian beer market has high potential with overall contribution to world market at less than two percent in 2020

World beer market is estimated at close to two billion hecto litres in 2020. The contribution of Indian market to world beer market is less than 2%. The primacy of high alcohol content beverages in India has limited the size of beer market in India. However, a very low base underpinned by positive demographic trends and rising income and growing acceptance of alco-beverage is driving growth in beer category in India.

Key Beer Markets in world in 2020 (value in million hecto litres)

Country	Market Size (Million Hecto Litres)
China	375
USA	210
Germany	80
United Kingdom	40
India	33
France	28
World	1,900

Source: Technopak Analysis; Indian data for Fiscal 2020; projected from WHO data

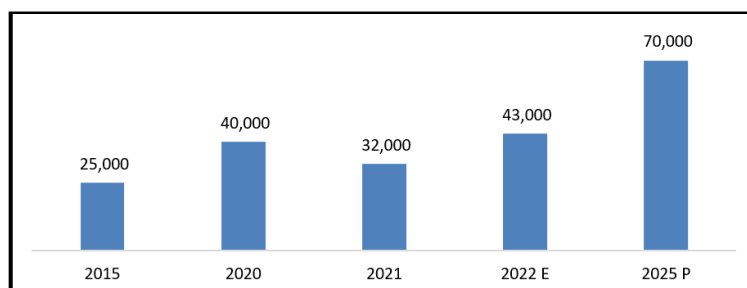
Indian beer market is projected to reach 450 million cases by Fiscal 2025

Indian beer market is projected to reach 450 million cases by Fiscal 2025 with a CAGR of 15% for the period between Fiscal 2021 and Fiscal 2025. Beer has become one of the most popular alcoholic beverages in the country over the past two decades.

Indian beer market size is projected to reach ₹ 700,000 million by Fiscal 2025

Indian beer market is projected to reach ₹ 700,000 million by Fiscal 2025 with a CAGR of 22% for the period between Fiscal 2021 to Fiscal 2025. Beer market has suffered the maximum decline among all alco beverage categories during COVID-19 as the complete shutdown wiped out a large part of the peak consumption sales for beer segment in the first quarter of Fiscal 2021 with an overall decline by 34% by volume and 20% by value in Fiscal 2021.

Indian Beer Market trend for Fiscal (value in ₹ Crore)



Source: Technopak Analysis; Data projected from annual reports, WHO report

COMPETITIVE LANDSCAPE

Indian alco beverage is a concentrated market with strong players across segments

India alco-beverage market is dominated by strong players across different segment including IMFL, beer and Wine segments. Indian western spirits market including IMFL and imported spirits market has top three players including United Spirits, Pernod Ricard India and Allied Blenders and Distillers controlling more than 49% of the market by volume in Fiscal 2021.

Summary

Particulars	Allied Blenders and Distilleries	United Spirits	Pernod Ricard	Radico Khaitan	Tilaknagar Industries	John Distilleries	Jagatjit Industries
Volume - FY 21 (Million Cases)	25.5	70.7	55	22.3	5.4	17.8	1.7
Volume CAGR (2015-21)	-3.50%	-4.60%	11.90%	2.30%	-6.70%	5.40%	-26.70%
Segment Presence	Popular Prestige Premium	Popular Prestige Premium Luxury	Prestige Premium Luxury	Popular Prestige Premium Luxury	Popular Prestige Premium	Popular Premium Luxury	Popular Premium
% Contribution Popular/Prestige & Above	65.10%	47.40%	0.00%	70.90%	92.60%	95.50%	88.90%
Whisky as % Sales	98.00%	70.00%	90.00%	51.00%	2.00%	90.00%	90.00%
Key Brands	Officer's Choice, Officer's Choice Blue, Sterling Reserve Blend 10, Sterling Reserve Blend 7, Kyron	McDowell's No 1, Bagpiper Signature, Royal Challenge, Johnnie Walker	Royal Stag, Blender's Pride Imperial Blue, Ballantine's Chivas Regal	8 PM, Magic Moments Vodka, Rampur	Mansion House, Courier Napoleon	Original Choice Whisky, Roulette Whisky	Aristocrat
Millionaire Brands	Officer's Choice, Officer's Choice Blue, Sterling Reserve Blend 7	McDowell's No. 1 Whisky, McDowell's No. 1 Celebration Rum, Royal Challenge Whisky, Director's Special Whisky, Old Tavern Whisky, Haywards Fine Whisky,	Royal Stag Whisky, Blender's Pride Whisky, Imperial Blue Whisky	8 PM Whisky, 8 PM Premium Whisky, Old Admiral Brandy, Contessa Rum	Mansion House Brandy	Original Choice Whisky, Bangalore Malt Whisky	NA

		Signature Whisky, Bagpiper Whisky					
Distillery / Bottling Units	Distillery :1 Bottling : 37	Distillery :47 Bottling : NA	Distillery :2 Bottling : 32	Distillery :5 Bottling : 33	Distillery :16 Bottling : 1	Distillery :8 Bottling : NA	Distillery :16 Bottling : NA

Allied Blenders and Distillers is the largest Indian and independent company in the Spirits Industry in India unlike United Spirits and Pernod Ricard India that are subsidiary of Diageo plc and Pernod Ricard S.A., respectively. It has over the years established market leadership in the alcoholic beverages market in India with a market share of 8.2% in IMFL market by sales volumes in Fiscal 2021. There is a similar trend across beer and wine segments where top three players control more than 50% of the market.

Indian alcohol beverage companies have been able to build market share across states by investing in both upstream and downstream activities. The complex nature of market with each state as a unique market gives incumbents with scale across states an advantage over new and upcoming brands in the market.

Top players in Indian Alco -beverage market Fiscal 2021 by volume

Segment	Rank	Company
IMFL	1	United Spirits Ltd
	2	Pernod Ricard India
	3	Allied Blenders and Distillers
Beer	1	United Breweries Ltd
	2	Anheuser- Busch InBev India
	3	Carlsberg
Wine	1	Sula Vineyards
	2	Fratelli Wines
	3	Grover Zampa Vineyards

Source: Annual reports, Technopak Analysis

Key players and their presence across categories

Company	Year of Establishment	Whisky	Rum	Brandy	Vodka	Gin	Beer	Wine
Allied Blender and Distillers	1988	✓	✓	✓	✓			
Jagatjit Industries	1944	✓	✓	✓	✓			
John Distilleries,	1992	✓	✓	✓		✓		✓
Pernod Ricard India	1993	✓	✓	✓	✓	✓		✓
Radico Khaitan	1943	✓	✓	✓	✓	✓		
Tilaknagar Industries	1933	✓	✓	✓		✓		✓
United Spirits	1826	✓	✓	✓	✓	✓		

Source: Annual reports, Technopak Analysis

Key players and their volume trends (in million cases) (in Fiscal)

Company	2015	2019	2021	CAGR (2015-2021)
United Spirits	94	81.6	70.7	-4.6%
Pernod Ricard India	28	57.95	55	11.9%
Allied Blender and Distillers	31.69	37.32	25.52	-3.5%
Radico Khaitan	19.5	21.61	22.3	2.3%
John Distilleries	13	21	17.8	5.4%
Tilaknagar Industries	8.2	6.6	5.4	-6.7%
Jagatjit Industries	11	7.2	1.7	-26.7%

Source: Annual reports, Technopak Analysis

Indian alco-beverages market has traditionally been a price sensitive market but recent trends show growing influence of premiumisation across price segments

Allied Blenders and Distillers has leveraged its leadership position in popular segment to drive business in prestige and premium category with very successful launches in respective categories.

Key players and whisky presence across segments

Company	Popular	Prestige	Premium	Luxury
Allied Blender and Distillers	✓	✓	✓	
Jagatjit Industries	✓	-	✓	-
John Distilleries	✓	-	✓	✓
Pernod Ricard India		✓	✓	✓
Radico Khaitan	✓	✓	✓	✓
Tilaknagar Industries	✓	✓	✓	
United Spirits	✓	✓	✓	✓

Source: Annual reports, Technopak Analysis

Key players and volume across segments for Fiscal 2021 (in million cases)

Company	Volume in Million cases		% Contribution	
	Popular	Prestige and above	Popular	Prestige and above
United Spirits	33.5	37.2	47.4%	52.6%
Pernod Ricard India	0	55	0.0%	100.0%
Allied Blender and Distillers	16.5	9.1	64.51%	35.5%
Radico Khaitan	15.8	6.5	70.9%	29.1%
John Distilleries	17	0.8	95.5%	4.5%
Tilaknagar Industries	5	0.4	92.6%	7.4%
Jagatjit Industries	1.6	0.2	88.9%	11.1%

Source: Annual reports, Technopak Analysis

Indian made Foreign Liquor Market (IMFL) in India is dominated by popular and Prestige segment

IMFL market is unique with high contribution of popular and prestige segments. However, category growth is led by premium segment. Top alco beverage companies leverage their presence in popular and prestige segment to drive their portfolio in premium and luxury segment.

Allied Blenders and Distillers has built its business by growth in sales of its flagship brand Officer’s Choice whisky. Officer’s Choice has established itself over the years as one of the biggest brands in Indian and Global whisky market. Officer’s Choice is the largest selling whisky in India in popular or mass premium price segment. The company has successfully extended its Officer’s Choice franchisee into the Prestige and Above segments with Officer’s Choice Blue premium whisky. Company has successfully leveraged the growing prominence of prestige category. The company has further extended its portfolio in whisky category with launch of Sterling Reserve Blend 7 and Blend 10 in the premium category. Alongside whisky, the premium brandy, Kyron and rum, Jolly Roger have also contributed to the growth of in sales of the company.

Indian alco beverage market is dominated by whisky

India has traditionally been a high alcohol content alco- beverage market with more than 90% of recorded pure alcohol consumption in the form of spirits. Whisky is the largest category with a share of approximately 59% by volume in the total Indian Made Foreign Liquor in Fiscal 2021. The share of whisky in the total IMFL market has been constant over the years and is expected to grow to approximately 60% by volume in Fiscal 2025. Top alco-beverage companies derive more than half of their sale volumes through whisky.

India is the largest whisky market in the world by volume. Whisky consumption in Fiscal 2021 was 183 million cases which is estimated to recover to close to 210 million cases making it one of the strongest categories that led to the recovery of the alco-beverage market in India after the impact from COVID-19. Brandy and Rum are important categories after Whisky in the dark spirit’s market.

Volume split in IMFL market Fiscal 2021 (in million cases)

Company	Whisky	Others
Allied Blender and Distillers	98%	2%
Jagatjit Industries	90%	10%
John Distilleries	90%	10%
Pernod Ricard India	90%	10%
Radico Khaitan	51%	49%
Tilaknagar Industries	2%	98%
United spirits	70%	30%

Source: Annual reports, Technopak Analysis

Indian whiskies dominate the millionaire brands list with four brands from the top 10 selling dark spirits in the world in 2020

Indian Whisky brands have traditionally dominated the coveted millionaire brands list for spirits in the world. There has also been change in the Indian brands in the list with higher participation for brands from prestige segment.

Millionaire brands from India in 2019 (volume in million cases)

Company	Millionaire brand	Sale (Million cases)
Allied Blender and Distillers	Officer's Choice Whisky	20.3
	Officer's Choice Blue Whisky	8.5
	Sterling Reserve Blend 7 Whisky	2.7
John Distilleries	Bangalore Malt Whisky	4.2
	Original Choice Whisky	12.7
Pernod Ricard India	Imperial Blue Whisky	26.3
	Blender's Pride Whisky	7.6
	100 pipers Whisky	1.6
	Royal Stag Whisky	22
Radico Khaitan	8PM Whisky	8.6
	8PM Premium Whisky	0.6
	Contessa Rum	1.4
	Old Admiral Brandy	3.8
United spirits	McDowell's No. 1 Whisky	30.7
	McDowell's No. 1 Celebration Rum	10.8
	Royal Challenge Whisky	5.5
	Director's Special Whisky	4.2
	Old Tavern Whisky	5.3
	Haywards Fine Whisky	9.6
	Signature Whisky	2.3
	Bagpiper Whisky	6.1

Source: Annual reports, Technopak Analysis; Drinks International/ The millionaire club 2021

Indian alco-beverage market is witnessing product launches in premium and luxury price segment

Premiumisation is one of the strongest trends in the Indian alco-beverage market. Growing trend of premiumisation in Indian alco-beverage market is evident from the list of recent launches by all the major players in the market. Allied Blenders and Distillers have successfully launched Sterling Reserve Blend 7 and 10 in the premium segment with sale of more than a million cases in the first year of its launch in Fiscal 2017.

Another trend is that there are no new launches in the popular or mass premium segment which shows that incumbents are well entrenched and entry and success in this segment is limited. Officer's choice whisky from Allied Blenders and Distillers is the leader in this segment.

New Launches in Indian alco-beverage market

Company	Brand	Segment
Allied Blender and Distillers	Sterling Reserve Premium	Premium
John Distilleries	Paul John XO	Luxury
Pernod Ricard India	Oaken Glow	Premium
	Jameson Black Barrel	Premium
Radico Khaitan	Royal Ranthambore	Luxury
	Morpheus Blue XO	Premium
	Pluton Bay Exotic	Premium
Tilaknagar Industries	Courrier Napoleon Green	Premium
Piccadilly Distilleries	Indri	Luxury
United spirits	Copper Dog	Luxury
	Epitome Reserve	Luxury
	Singleton of Glendullan	Luxury
	JW White Walker	Luxury

Source: Annual reports, Technopak Analysis

Complex regulatory environment in Indian alco-beverage industry makes a state level distillery and bottling infrastructure a precondition for sizable market share

Each State in India is a unique market for Indian alco-beverage companies. Every company must invest in distillery and bottling units in multiple states as movement of alco-beverage from one state to the other may lead to additional duties and charges. Key players have a wide network of distilleries and bottling units which are either owned or contracted units.

Key players and their Distillery and Bottling Units

Company	No. of distillery	No. of Bottling Units
Allied Blender and Distillers	1	37
Jagatjit Industries	16	0
John Distilleries	8	NA
Pernod Ricard India	2	32
Radico Khaitan	5	33
Tilaknagar Industries	16	1
United spirits	47	0

Source: Annual reports, Technopak Analysis

Alco-beverages retailing is limited to exclusive outlets directly controlled or regulated by state excise policies in India

Approximately 70% of the distribution of alcoholic beverages in India is controlled by state through state owned or state-controlled wholesale or retailing entities popularly known as corporations. Select states have set up corporations which control distribution of alcohol both at wholesaling and retailing whereas quite a few states control only the wholesale distribution and retail is private. In select states distribution is completely private for both at wholesale and retail stage. Some states have set up state-controlled retail outlets which get stocks directly from manufacturers. States also ensure that their revenue is guaranteed through auction of wholesale and retail licenses and ensure that they receive upfront payment.

The universe of retail outlets for alco-beverage industry in Fiscal 2021 is estimated at close to 73,000 stores. Distribution of alco- beverage through supermarkets or through home delivery is at a very nascent stage in India. The entry of new players can be challenging due to regulation across states and strong relations between the current players and the retail outlets which may include exclusive arrangements.

Allied Blenders and Distillers has built a strong pan India route to market network capable of covering all channels in all alcohol permitted states / union territories which gives it a competitive advantage. It has access to a pan-India multi-channel distribution network and are one of only four spirits companies in India with a pan-India sales and distribution footprint. It has presence in 25 States and Union Territories.

Allied Blenders and Distillers with extensive operations across India, presence in multiple states and current capacity ensures that it is able to effectively address these regulatory issues which has allowed it to garner a significant share of the popular segment also known as mass premium segment and noticeable and growing market

share for its products in prestige and premium segment. This highly efficient network is ready to support volume growth of current and emerging portfolio additions.

Retail penetration (Number of outlets) (Fiscal 2021)

Company	Retail outlets (Nos)
Allied Blender and Distillers	64,101
Jagatjit Industries	~10,000
John Distilleries	~25,000
Pernod Ricard India	~60,000
Radico Khaitan	70,000+
Tilaknagar Industries	NA
United Spirits	70,000+

Source: Annual reports, company website Technopak Analysis; Note: As per available data

FINANCIAL LANDSCAPE

Summary of Financials

Particulars	Allied Blenders and Distilleries	United Spirits	Pernod Ricard	Radico Khaitan	Tilaknagar Industries	John Distilleries	Jagatjit Industries
Net Sales (FY 21) (INR Cr)	2,348	8,131	8,045	2,418	549	840	398
Net Sales CAGR (FY 2019-21) (%)	-12.5%	-6.7%	-3.1%	7.4%	-8.9%	-3.7%	33.2%
EBITDA Margin (Avg. FY 2019-21) (%)	8.3%	14.9%	22.2%	15.6%	3.5%	9.1%	-15.2%
PAT Margin (Avg. FY 2019-21) (%)	0.3%	6.1%	15.4%	9.8%	3.4%	2.6%	-16.8%
Working Capital Days (FY 2021)	46	76	14	66	-244	142	-22
ROCE (Avg. FY 2019-21) (%)	30.2%	28.3%	62.1%	20.1%	14.4%	18.1%	4.1%
ROE - (Avg. FY19-21) (%)	3.1%	16.0%	42.5%	14.6%	Na	9.1%	-58.1%
Net Debt/EBITDA (Avg. FY 2019-21)	4.5	1.4	-0.4	0.8	7.9	3.1	2.4

Source: Annual Reports, Technopak Analysis

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward Looking Statements” on page 32 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 34, 272 and 362, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated, the financial information included herein is based on our Restated Consolidated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Financial Information” on page 272. Unless the context otherwise requires, in this section, references to “we”, “us”, or “our” refers to Allied Blenders and Distillers Limited on a consolidated basis and references to “the Company” or “our Company” refers to Allied Blenders and Distillers Limited on a standalone basis.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Industry Report On Indian Alco-Beverage Market” dated June 21, 2022 (the “Technopak Report”) prepared and issued by Technopak Advisors Private Limited appointed on March 23, 2022, and exclusively commissioned and paid for by us to understand the industry in which we operate in connection with the Offer. The Technopak Report is available on the website of the Company at <https://www.abdindia.com/investor-relations/investor-information/reports/>. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

OVERVIEW

We are the largest Indian-owned Indian-made foreign liquor (“IMFL”) company and the third largest IMFL company in India, in terms of annual sales volumes between Fiscal 2014 and Fiscal 2021. (Source: Technopak Report) We are one of the only four spirits companies in India with a pan-India sales and distribution footprint, and a leading exporter of IMFL, in terms of annual sales volumes between Fiscal 2019 to Fiscal 2021 with an estimated peak share of 20% in Fiscal 2021. (Source: Technopak Report) For further information, see “Industry Overview” on page 137.

Our flagship brand, Officer’s Choice Whisky was launched in 1988 with our entry into the mass premium whisky segment. Officer’s Choice Whisky has been among the top selling whisky brands globally in terms of annual sales volumes between calendar year 2016 and 2019. (Source: Technopak Report) Over the years, we have expanded and introduced products across various categories and segments. As of March 31, 2022, our product portfolio comprised 10 major brands of IMFL across whisky, brandy, rum and vodka. Certain of our brands, such as, Officer’s Choice Whisky, Sterling Reserve and Officer’s Choice Blue, are ‘Millionaire Brands’ or brands that have sold over a million 9-litre cases in one year. (Source: Technopak Report)

The following table sets forth annual sales volumes for our Millionaire Brands for the periods indicated:

Particulars	Fiscal			Nine Months ended December 31, 2021
	2019	2020	2021	
	Annual Sales Volumes (million cases)			
Whisky				
- Officer’s Choice Whisky	24.70	20.29	15.54	12.79
- Officer’s Choice Blue	8.98	8.46	5.84	4.30
- Sterling Reserve	1.76	2.91	2.97	2.71
Brandy				
- Officer’s Choice	1.10	0.84	0.54	0.31

Our product range includes four main categories of IMFL, i.e., whisky, brandy, rum and vodka. We also sell packaged drinking water under our *Officer's Choice*, *Officer's Choice Blue* and *Sterling Reserve* brands. The following table sets forth sales volume according to category of IMFL for the periods indicated:

Particulars	Fiscal			Nine Months ended December 31, 2021
	2019	2020	2021	
	Annual Sales Volumes (million cases)			
Whisky	35.60	31.85	24.60	20.04
Brandy	1.29	1.02	0.67	0.39
Rum	0.29	0.27	0.20	0.20
Vodka	0.14	0.09	0.05	0.03
Volume Sold	37.32	33.23	25.52	20.66

The following table sets forth our revenues from operations relating to our IMFL product categories for the periods indicated:

Category	Fiscal						Nine months ended December 31, 2021	
	2019		2020		2021		Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)
	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)		
Whisky	86,415.27	97.74%	78,389.20	97.98%	62,245.79	98.82%	52,851.39	98.95%
Others*	2,001.02	2.26%	1,616.59	2.02%	743.54	1.18%	558.20	1.05%
Total	88,416.29	100.00%	80,005.79	100.00%	62,989.33	100.00%	53,409.59	100.00%

* Others primarily includes brandy, rum and vodka

We have over the years established market leadership in the alcoholic beverages market in India with a market share of 8.2% in IMFL market by sales volumes in Fiscal 2021 (*Source: Technopak Report*), with sales across 30 States and Union Territories, as of December 31, 2021. Over the years, we have developed an extensive pan-India sales footprint and as of December 31, 2021 we have 12 regional sales support offices, and pan-India route-to-market capabilities covering all channels and alcohol permitted States and Union Territories. Our pan-India distribution network has enabled us to support the growth in annual sales volumes of our products. As of March 31, 2021, our products were retailed across 64,001 outlets in India (*Source: Technopak Report*). We believe that our industry position, strength of our brands, our pan-India sales footprint and logistics arrangements have further consolidated our position leading to significant business growth and financial performance. In addition, as of December 31, 2021, we exported our products to 22 international markets, including countries in the Middle East, North and South America, Africa, Asia and Europe.

Over the years, we have invested in strengthening our brand awareness and the goodwill of our brands. Our key brands have been awarded at recognised award functions including at the Design and Packaging Masters, The Spirits Business London, Monde Selection Bruxelles, International Taste Institute- ITQI Brussels, DMAasia ECHO, exchange4media Indian Digital Marketing Awards, Adgully Digixx, Afaqs Marketers Xcellence among others. We have adopted a lifestyle approach towards our brand positioning by focusing on building awareness, enhancing the appeal of our products sold under various brands, ensuring affordability of our products, maintaining the quality of products sold and building consumer engagement. Our brand-building initiatives have in the past included partnerships with teams participating in the Indian Premier League, the Pro Kabaddi League and partnerships with regional football leagues for our focus markets of West Bengal and the North East. We have also in the past appointed celebrity brand ambassadors including a leading cricket personality.

We own and operate our distillery located in Rangapur, Telangana that is spread over 74.95 acres with a built-up area of over 25,000 square meters. Our in-house distillation capacity of extra neutral alcohol ("ENA"), the key material used in the manufacture of our products, is 54.75 million litres per year. We also have extensive bottling capabilities across India. As of December, 2022, we relied on 30 bottling facilities, including bottling facilities owned and operated by us and contract bottling facilities both on exclusive and non-exclusive basis, for bottling our products. As of December 31, 2021, we owned and operated nine bottling units, and had entered into

arrangements with six third-party bottling facilities where the entire licensed capacity is utilized by us. Over the years, we have developed relationships with third-party bottlers and as of December 31, 2021, we have entered into 15 bottling agreements on a non-exclusive basis including one where we have entered into a royalty arrangement. We maintain oversight, quality control and technical input on the manufacturing process and further support this by facilitating the procurement of raw materials such as ENA and packaging materials to our third-party bottlers. We have also implemented quality control and assurance parameters, and continue to improve these processes with our third-party bottlers. Third-party bottling of our products provides us with flexibility to meet our production requirements. In addition, owing to our contractual arrangements with local and regional third-party bottlers we are not required to transport our products beyond state borders thereby limiting any additional excise import and export duty expenses that we would otherwise incur, which ensures that our products remain competitively priced.

We have an experienced and distinguished Board of Directors who have helped grow our operations and also provides us with strategic leadership and guidance. Our operations have been professionally managed. Shekhar Ramamurthy, our Whole-Time Director (Executive Deputy Chairman), has been instrumental in implementing strategic business initiatives, and focusing on identifying opportunities and drive growth and value. Ramakrishnan Ramaswamy, our Chief Financial Officer has been associated with our Company since May 2010 and has extensive experience in finance. Our senior management team includes individuals who possess industry experience across sectors with significant business expertise in consumer goods, sales and marketing, manufacturing and finance matters. We believe that their extensive experience has enabled us to capitalize on growth opportunities in the Indian alcoholic beverages industry. In order to provide impetus and acceleration to the growth of our operations, we decided to reconstitute the composition of our Board and senior management to include more industry experts. As part of the proposed reconstitution, Kishore Rajaram Chhabria, our Whole-Time Director (Chairman) will be redesignated as a non-executive Chairman with effect from the listing date of our Equity Shares in the proposed Offer. This would result in rationalization of certain business related expenses such as salary, office expenses, expenses in relation to various employees and consultants associated with the chairman's office and operating overheads. In the nine months ended December 31, 2021, these expenses amounted to ₹ 704.00 million. We believe that the reconstitution of our Board and senior management team will result in significant operational efficiencies and cost rationalization for our operations.

Over the years our business has generated positive operating cash flows despite the impact of COVID-19. Our net cash generated from operating activities was ₹ 1,911.08 million, ₹ 5,945.31 million, ₹ 2,466.18 million and ₹ 954.10 million in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, respectively. Our Net Worth was ₹ 2,918.17 million, ₹ 3,796.19 million, ₹ 3,817.82 million and ₹ 4,061.00 million, as of March 31, 2019, 2020 and 2021 and as of December 31, 2021, respectively.

The following table sets forth certain key financial performance indicators as of and for the periods indicated:

Particulars	As of and for the Years ended March 31,			As of and for the Nine Months ended December 31, 2021
	2019	2020	2021	
	(₹ million, except percentages)			
Revenue from Operations	89,345.97	81,190.65	63,787.76	54,449.84
Gross Margin (%)	41.01%	37.65%	39.49%	40.29%
EBITDA ⁽¹⁾	3,169.69	2,500.43	2,129.96	1,586.02
EBITDA Margin ⁽²⁾	10.33%	8.35%	9.07%	8.15%
Profit after tax for the year/period	152.01	127.93	25.08	33.02
PAT Margin ⁽³⁾	0.50%	0.43%	0.11%	0.17%
ROE ⁽⁴⁾	5.21%	3.37%	0.66%	0.81%
ROCE ⁽⁵⁾	42.72%	28.77%	26.45%	18.74%
Net Debt / Equity ⁽⁶⁾	4.51	2.53	2.39	2.24

Notes:

1. EBITDA is calculated as profit before finance costs, depreciation/amortisation, share in profit of investment accounted for using equity method, exceptional items and tax.
2. EBITDA Margin is calculated as EBITDA divided by net revenue from operations.
3. PAT Margin is calculated as profit for the year/period divided by net revenue from operations.
4. ROE is calculated as profit after tax for the year/period divided by total equity.
5. ROCE is calculated as EBITDA less depreciation and amortization divided by capital employed (total equity plus non-current borrowings).
6. Net Debt/Equity is calculated as non-current borrowings plus current borrowings less cash and cash equivalents divided by total equity.

STRENGTHS

Among the largest IMFL companies in India with a diversified and contemporary product portfolio

We are the largest Indian owned IMFL company and the third largest IMFL company in India, in terms of annual sales volumes between Fiscal 2014 and Fiscal 2021. (Source: Technopak Report) Three of our brands, namely, Officer's Choice Whisky, Sterling Reserve Whisky and Officer's Choice Blue Whisky, are 'Millionaire Brands'. (Source: Technopak Report) As of December 31, 2021, our product portfolio comprised 10 brands of IMFL with five brands of whisky that include our flagship Officer's Choice Whisky and Sterling Reserve Whisky, two brands of rum, two brands of brandy and one brand of vodka, respectively. Our products are present across various price points of IMFL categories in India. The table sets forth details of our product portfolio, as of December 31, 2021.

Segment	Brand
Premium	  <i>Sterling Reserve Blend 10 Whisky Kyron Premium Brandy</i>
Semi-Premium	 <i>Sterling Reserve Blend 7 Whisky</i>
Deluxe	  <i>Officer's Choice Blue Whisky Jolly Roger Rum</i>
Mass Premium	   <i>Officer's Choice Whisky Officer's Choice Star Officer's Choice Brandy</i>   <i>Officer's Choice Rum Class 21 Vodka</i>

In Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, we sold 37.32 million, 33.23 million, 25.52 million and 20.66 million cases of IMFL in India, respectively, and possess an overall market share of 8.2% in IMFL market by sales volumes in Fiscal 2021. (Source: Technopak Report)

Over the years, we have introduced contemporary brands that appeal to consumer tastes and preferences. Our whisky brands include blends of Scotch malts from the Highland, Lowland and Speyside regions. The table below sets forth details of the years when we launched our various brands:

Brands	Year of Launch
Officer's Choice	
Officer's Choice Whisky	1988
Officer's Choice Brandy	2001
Officer's Choice Rum	2001
Officer's Choice Blue	2011
Officer's Choice Star	2018
Sterling Reserve	
Sterling Reserve Blend 10 Whisky	2017

Brands	Year of Launch
Sterling Reserve Blend 7 Whisky	2017
Kyron	
Kyron Premium Brandy	2012
Jolly Roger	
Jolly Roger Rum	2010
Class 21	
Class 21 Vodka	2010

Our flagship brand *Officer's Choice Whisky* has been among the top selling whisky brands globally in terms of annual sales volume between calendar year 2016 and 2019. (Source: Technopak Report) *Officer's Choice Whisky* franchise including *Officer's Choice Blue* was ranked third among the largest selling whisky brands globally in calendar year 2020 (Source: Technopak Report) and was exported to 22 countries, as of December 31, 2021. *Officer's Choice Blue* whisky sold one million cases in the first year of its launch in 2011 and is among the leading whisky brands in its segment in several Indian States. (Source: Technopak Report) In addition, *Sterling Reserve Blend 7* became the third largest selling brand in the semi-premium whisky segment in India in Fiscal 2021. (Source: Technopak Report)

Our products have received various recognitions over the years. For example, *Officer's Choice Whisky* received the Wines Beers and Drinks Awards in 2018 for the world's largest selling whisky. *Sterling Reserve Premium Whisky* received the Spiritz Award in 2019 for the fastest growing whisky brand and the Wines Beers and Drinks Award in 2018 for the fastest growing brand. *Officer's Choice Brandy* received the IndSpirit Award in 2018 for the best popular brandy. *Sterling Reserve Blend 7 Whisky* received the IndSpirit Award in 2018 for the best semi-premium whisky. Our brands, *Sterling Reserve Blend 7*, *Kyron Premium Brandy* and *Officer's Choice Blue* were rated as 'Notable Product' at the Superior Taste Award by International Taste Institute, Brussels in 2021. *Sterling Reserve Blend 10 Whisky*, *Sterling Reserve Blend 7 Whisky* and *Kyron Premium Brandy* all won gold awards at the prestigious Monde Selection Brussels in 2022.

Strong brand recognition

Over the years, we have developed a well-recognized product portfolio, and transformed from a single brand company to multi-product and multi-brand company with presence across various categories and segments of the IMFL industry in India.

Since the launch of *Officer's Choice Whisky* in 1988 in the mass premium segment, we have invested significant resources in enhancing the strength and appeal of the *Officer's Choice* brand. *Officer's Choice Whisky* is the market leader in the mass premium segment with a market share of 23% in terms of annual sales volumes in Fiscal 2021. (Source: Technopak Report) Our proposition with *Officer's Choice* is aimed at offering high quality products at affordable price points that elevate a consumer's drinking experience. Towards this, we have extensively focused on packaging, communications and point of sale visibility to build appeal and heighten engagement with the brand. We have also tactically associated with specialised premium stores across the country to improve our brand visibility and product reach, and introduced our premium brand stores in the state of Delhi in 2022. We entered the premium and semi-premium whisky segments with the launch of *Sterling Reserve Blend 10* and *Sterling Reserve Blend 7* in Fiscal 2018 and these brands have been recognized as Brand Champion (Indian Whisky) for four years in a row between 2019 and 2022 by The Spirits Business, London.

Our consumer centric approach in building brands has enabled us to achieve high sales volumes. Our brands have been positioned based on relevant consumer insights. We have strategically undertaken brand-building initiatives through prudent use of resources and investments to increase awareness and recall of our brands. Over the last three Fiscals, we have undertaken several campaigns, including *Jo Smooth Vahi Officer* campaign, *Salute Toh Banta Hai*, *Rok Sake Toh Rok Le* and *Chase The Next*. For further information, see " – Business Operations – Marketing and Business Promotion" on page 200. In Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, our advertisement and promotion expenses were ₹ 1,685.30 million, ₹ 1,316.18 million, ₹ 906.63 million and ₹ 704.30 million, respectively, which represented 5.49%, 4.39%, 3.86% and 3.62%, respectively, of our total Net Revenue from Operations in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021.

For *Officer's Choice Blue* to build a better connect with consumers we have undertaken strategic marketing investments towards associating with key sporting events across the country. This in the past has included partnerships with teams participating in the Indian Premier League, the Pro Kabaddi League and partnerships with regional football leagues for our focus markets of West Bengal and the North East. We have also in the past appointed celebrity brand ambassadors including a leading cricket personality. Our *Sterling Reserve* brand aims

to connect with younger consumers through building content and communities in areas such as music, comedy and performing arts. 'The Sterling Reserve Project' was created as a platform to integrate brand proposition. It is amplified on relevant mediums, including both online and offline platforms. The Sterling Reserve Project has won several awards in the social and digital space including the Silver YouTube Creator Award in 2020 for its content. In the past, *Kyron Premium Brandy*, has sponsored various fashion weeks in cities across South India such as Vizag, Pondicherry, Kochi and Hyderabad.

Marketing efforts on our brands have also received several awards and recognitions, including, *Sterling Reserve* receiving 'Gold' at DMAasia Createffect ECHO Awards 2021, 'Gold' for Best Integrated Campaign at Exchange4Media Indian Digital Marketing Awards 2021 and 'Gold' for Best Content Marketing Campaign at the Adgully Digixx Awards 2021 and *Officer's Choice Blue* winning Silver for Best Use of Facebook at Afaqs Marketers Xcellence Awards 2021. Our packaging innovations have also been recognised with gold and silver awards at the Design and Packaging Masters 2021 organised by the international industry publication, The Spirits Business. We have also won several awards across brands for packaging and marketing from various Indian and international organizations.

Strategically located, large scale and advanced manufacturing facilities with a sophisticated research and development centre

Manufacturing Facilities

Our distillery is located in Rangapur, Telangana and is spread over an area of 74.95 acres and has a built-up area of over 25,000 square meters. Our in-house distillation capacity of extra neutral alcohol ("ENA") is 54.75 million litres per year. In addition, we also have extensive bottling capabilities with an optimal mix of owned and third-party facilities with a pan-India presence across 22 States and Union Territories, as of December 31, 2021. As of December 31, 2021, we owned and operated nine bottling units, and had entered into arrangements with six third-party bottling facilities where the entire licensed capacity is utilized by us. Over the years, we have developed relationships with third-party bottlers and as of December 31, 2021, we have entered into 15 bottling agreements on a non-exclusive basis including one where we have entered into a royalty arrangement. As of December 31, 2021, our products are bottled across 30 bottling facilities.

While our extensive and pan-India network of bottling facilities ensures that we are able to manufacture our products locally and at optimum cost without overlaying tariffs associated with inter-state movement, which also ensures that delivery to our distribution network is in a timely manner while aligning with various regulatory requirements. In Fiscal 2021, 58.82% of our production was from our own bottling facilities and the remaining from our contract or leased facilities. We have substantial ENA manufacturing capacity which addresses a portion of our total ENA consumption while the rest of our ENA consumption being purchased from third parties. As part of our backward integration and cost optimisation measures, the decision to manufacture or purchase of ENA is constantly reviewed and appropriate tactical and strategic interventions are considered.

Our bottling units and distilleries incorporate niche technology for quality and environmental management. We are required to comply with stringent regulatory requirements. In addition, a majority of our owned units are ISO 22000:2018 certified for food safety management systems. To ensure efficient operations, we employ technologically enhanced operating procedures across all units that are to be followed by all personnel in manufacturing. We are focused on stringent quality standards throughout our manufacturing process in our own facilities as well as at our leased, sub-leased and contract manufacturing facilities and have introduced stringent quality control processes including incoming wet goods and dry goods quality checks, in-process quality control checks, hourly end-of-line finished goods inspection, finished goods audit and pre-dispatch inspection. Our quality assurance process is supported by standard operating procedures and sampling plans.

We use premium quality raw materials as part of our production and our raw materials including ENA and special spirits are monitored at source by dedicated quality executives before being transported to our facilities. To maintain product superiority, we use demineralized water. We also use ultra-filtration processes for sparkle and clarity in all products. We believe that our production processes give our brands a unique texture, smoothness and flavour, which we believe resonates with our consumers.

Research and Development Capabilities

In our experience, we have been able to create quality products as a result of our continuous in-house research and development activities. Our research and development capabilities are centred on product innovation, which includes new product conceptualisation and development, acquiring novel raw materials and product engineering. We have a research and development facility located at Aurangabad, Maharashtra and is equipped with instrumentation for testing of raw materials, packaging materials, blend tasting and testing and finished product

quality. We also have a trained in-house panel of sensory experts that analyse and evaluate consistency and correctness of our products.

Our research and development capabilities include:

- *Product innovation:* We conceptualize and develop new products, new raw material sources and product re-engineering;
- *Raw material evaluation and control:* We have instruments for testing of our raw materials or blend applicability and product quality and safety;
- *Flavour compounding:* We have capabilities towards flavour selection; quality assurance and compounding followed by distribution in accordance with product profiles;
- *Sensory evaluation:* We have sensory panel experts to analyse and evaluate correctness of required product profiles on a continuous basis; and
- *Packaging material evaluation:* We do research and development of packaging materials in accordance with agreed standards and co-ordinate with supply chain and marketing function.

In addition, our research and development is also focussed on innovation in packaging and our packaging material is also evaluated to ensure that it conforms with all the requisite standards. For instance, we have developed sustainable packaging for *Sterling Reserve* and have been awarded Gold at the Design and Packaging Masters 2021 for the Sterling Reserve Limited Edition Packs.

Access to extensive pan-India distribution network with ability to scale

We have access to a pan-India multi-channel distribution network and are one of only four spirits companies in India with a pan-India sales and distribution footprint. (Source: *Technopak Report*) For further information, see “*Industry Overview*” on page 178. Our ability to access an extensive distribution network ensures that we are able to serve consumers across India.

Our multiple route-to-market capabilities cover all channels including open market, part corporation market and full corporation market channels. For further information, see “– *Business Operations – Distribution Network and footprint*” on page 369.

The Indian spirits industry operates in a highly regulated manner with State-specific policies which impact industry volumes in some markets. High inter-state duties compel Indian spirits producers to set up owned or engage third-party manufacturers in every state. Licenses are required to produce, bottle, store, distribute or retail alcoholic products. Distribution is also highly controlled, both at the wholesale and retail levels. All these factors serve as potential entry barriers for newer players. (Source: *Technopak Report*) Further, distribution of alco beverage products is highly controlled by State governments and the entry of new players in distribution is prohibitive due to high regulation across States and strong relations between the current players and the retail outlets which may include exclusive arrangements. (Source: *Technopak Report*) Our extensive operations across India, presence in multiple States and current capacity ensures that we are able to effectively address these issues which has allowed us to garner a significant share of the mass premium market and noticeable and growing market share for our premium products. (Source: *Technopak Report*) In addition, given that our product portfolio caters to various categories and segments, retailers can offer our entire product portfolio to consumers across the value chain, which we believe drives premiumisation and retains customers within our product portfolio. As of March 31, 2021, our products are retailed through across 64,001 outlets across India (Source: *Technopak Report*).

In addition, we are leading exporter of IMFL, in terms of annual sales volumes between Fiscal 2019 to Fiscal 2021 with an estimated peak share of 20% in Fiscal 2021 (Source: *Technopak Report*) and as of December 31, 2021, our products were exported to 22 countries with *Officer’s Choice Whisky* being one of the largest exported brands in 2021. (Source: *Technopak Report*) Our export markets include countries such as the United Arab Emirates, Haiti, Oman, Nigeria, and Kenya.

Well-positioned to capture tailwinds in the Indian IMFL industry

India is one of the fastest growing alcoholic beverage markets in the world growing from a small base of 1.3 litres per capita of recorded consumption of pure alcohol in calendar year 2005 to 2.7 litres per capita consumption in calendar year 2010 and further to 3.0 litres per capita consumption in calendar year 2020. (Source: *Technopak Report*) India’s per capita consumption is significantly lower compared to global per capital consumption. (Source: *Technopak Report*) Low per capita consumption coupled with positive demographics factors and more than 10 million people added each year to the population eligible for drinking, make India an attractive market for alcoholic beverages. (Source: *Technopak Report*) There exists significant potential for future growth for the alcoholic beverages market in India. (Source: *Technopak Report*)

IMFL is the largest segment of Indian alco-beverage market both in volume and value terms. IMFL segment recorded sales of 310 million cases in Fiscal 2021 with a decline of 11.4% in volume as compared to Fiscal 2020 sales at 350 million cases. IMFL market is estimated to have recovered to 355 million cases in Fiscal 2022. IMFL sales volume is projected to reach 425 million cases by Fiscal 2025. IMFL sales by value is estimated at ₹ 174,000 crores in Fiscal 2022. Further, the IMFL sales value is projected to reach ₹ 240,000 by Fiscal 2025. During the period between Fiscal 2022 and Fiscal 2025, IMFL sales value is expected to grow at a CAGR of 11.3% and sales volume is expected to grow at a CAGR of 6.2%. (*Source: Technopak Report*)

With a growing number of people joining the work force sooner than in the past and together with changing lifestyles and dismantling of social barriers to consumption of alcohol is driving growth in alcoholic beverage market in India. (*Source: Technopak Report*) Greater social acceptance for drinking amongst women as well as in Tier II and Tier III towns is expected to open up newer profitable consumer segments. (*Source: Technopak Report*) Rapid increase in urban population, a sizable middle-class population with rising disposable income, and a growing economy are driving consumption of alcohol in India. In addition, 10 million to 12 million people are expected to enter the legal alcohol drinking age each year. (*Source: Technopak Report*) These factors will also result in consumers choosing to upgrade to more quality offerings. (*Source: Technopak Report*) Backed by our extensive portfolio of offerings across the mass premium segment, we believe, we are well positioned to capitalize on the shift towards premiumization of consumption.

Experienced Board and senior management team and supported by a committed employee base

Board of Directors

We have an eminent and experienced Board of Directors. Our Board comprises Kishore Rajaram Chhabria as our Whole-Time Director (Chairman) and Bina Kishore Chhabria as our Non-Executive Director and Co-Chairperson. In addition, Resham Chhabria Jeetendra Hemdev, Whole-Time Director (Vice Chairperson) and Shekhar Ramamurthy, Whole-Time Director (Executive Deputy Chairman) are actively involved in our day-to-day operations. Our Independent Directors provide us with strategic guidance, and we have been able to leverage their experience to grow our operations.

Senior Management Team

We have an experienced and professional senior management team with significant industry experience. Our senior management team has demonstrated ability to develop and build brand recognition and deliver growth and profitability. Our senior management team that includes Ramakrishnan Ramaswamy, Chief Financial Officer; Ritesh Ramniklal Shah, Company Secretary and Compliance Officer and Bikram Basu, Vice President – Marketing, Strategy and Business Development, have extensive industry experience across manufacturing, marketing and advertising, strategy, business development, finance, human resources, legal and compliance and public relations.

Corporate Governance

We have always focussed on our shareholders' best interests and the maximisation of shareholder value. We also have established policies and procedures to support transparency, strong business ethics and a well-established compliance framework. We follow a strict code of business conduct for our operations and have implemented Board approved policies on anti-bribery and corruption, gifting and entertainment, anti-money laundering, anti-trust and competition and conflict of interest. In addition, we have a whistle-blower policy, breach management and disciplinary policy, prevention of sexual harassment policy, a marketing code and corporate social responsibility policy. In addition, our Board is chaired by Kishore Rajaram Chhabria with five independent directors, two non-executive directors and two executive directors. For further information, see "*Our Management*" on page 231.



Employee Base

Our employee base is the key to our competitive advantage. We have 744 employees including 74 production workers, 179 sales consultants, 14 consultants, and 2,611 contract workers, as of December 31, 2021. Our employee value proposition focuses on employee development and highlights an inclusive work culture by providing equal opportunities to all employees. We also incentivize our employee base through performance linked programs for sales employees and a variable pay component for others. Continued talent development is a key focus area for us and is implemented through diligently designed talent management processes. Despite the limitations imposed due to COVID-19 on, we enabled virtual training of our employees. We believe that the skills and diversity of our employees give us the flexibility and agility to adapt to the future needs of our business.

STRATEGIES

Increase market share of Officer's Choice Whisky across regions

In Fiscal 2021, sale of whisky accounted for 64% of IMFL sales in India. (Source: Technopak Report) In addition, the mass premium segment constituted approximately 31% of the total IMFL market in India in Fiscal 2021. (Source: Technopak Report) Officer's Choice Whisky is the market leader in the mass premium segment with a market share of 23% in terms of annual sales volumes in Fiscal 2021. (Source: Technopak Report)

Flavoured local alcoholic beverage popularly known as country liquor or Indian made Indian liquor is close to one third of the alcoholic beverage market by volume in Fiscal 2021. Country liquor market was estimated at 325 million cases in Fiscal 2022. However, market is projected to be range bound at 350 million cases by Fiscal 2025. We believe we can address the requirements of large segments of audiences that currently consume country liquor or economy brands and are looking to upgrade. Given the positive change in attitude towards alcohol beverages with higher social acceptance and rising income levels, we intend to further expand penetration of Officer's Choice Whisky in States such as Karnataka and Uttar Pradesh. Further, we also intend to position Officer's Choice Whisky as a brand for the younger generation and make it the first port of call for new entrants into the category. To this end, we believe our campaign "Jo Smooth Vahi Officer" has experienced success in appealing to consumers. We intend to further amplify the campaign through digital and social mediums to build a better connect with potential consumers.

The mass-premium segment requires large scale of operations, multiple units across various States, a strong distribution network, the ability to deliver products cost-efficiently while maintaining product quality to match consumer expectations. We believe that Officer's Choice Whisky is best positioned for this role and there is a natural barrier to new entrants given the significant entry barriers and complexities.

Introduce new products within the premium, semi-premium and deluxe segments to strengthen presence in other categories

The deluxe segment is currently the largest segment for whisky and has been consistently growing over the years. (Source: Technopak Report) Our Officer's Choice Blue with a sale of 5.8 million cases is the fifth largest whisky brand in India in prestige segment also known as deluxe segment. (Source: Technopak Report) Further, the semi-premium segment is also a fast-growing segment within the IMFL space. Our brand Sterling Reserve Blend 7 has witnessed significant growth since its launch in Fiscal 2018. Going ahead, we intend to continue to

introduce products in the premium, semi-premium and deluxe segments with an intent to provide our Company with higher margins and greater profitability over time.

We have consciously developed our product portfolio to provide consumers with products with different taste at various price points. In order to strengthen our presence in the more premium segments of the market, we continue to develop a number of products based on our market research and understanding of consumer tastes and trends. We believe our new product pipeline coupled with our strong existing portfolio will help us widen our consumer base facilitated by our quality infrastructure in all key States. For instance, we are developing new products in the Scotch segment by creating new blends which we believe will offer a superior product experience for consumers. Towards this, we import Scotch in bulk to grow our portfolio. In addition, we intend to introduce additional premium products that will be bottled in India and import certain bottled in origin products. We also intend to introduce products that we believe will appeal to younger consumers. These include flavoured spirits, craft spirits, low alcohol content beverages and ready mixes.

Continue to focus on improving operating efficiencies

We are focused on further integrating our operations and optimizing product planning across product categories. We intend to continue to adopt best practices and standards across our facilities, drawing on our expertise and experience in distillation and bottling. We will continue to focus on reducing operating costs and improving utilization by investing in modernization of our manufacturing facilities with relevant technologies and production methods. This will increase their capacity, improve efficiency and operating performance and reduce the need for future capital expenditure. As part of efforts, we continue to evaluate front-line technologies and resultant benefits with a view to maintaining competitive advantages. Certain measures we intend to continue to undertake include replacement of semi-automatic lines with high speed fully automatic lines which provide higher productivity, lower power and water consumption; installation of solar power generation facility in all our owned units to reduce our carbon footprint, dependency on grid power and also reduce power cost; and engaging AI-based technology for more reliable online inspection system which will also improve line productivity and operating overheads and modification of the distillery section of the coal-fired boiler to utilise more bio-mass to reduce cost of steam production.

In addition, we continue to focus on creating economies of scale to gain increased negotiating power on procurement of raw and packaging materials and to realize cost savings through centralized deployment and management of production, maintenance, accounting and other support functions. Higher capacity utilization will result in more production and higher sales, thereby allowing us to spread fixed costs over higher sales and increase profit margins. Further, we intend to continue to enter into additional contract manufacturing tie-ups and leasing and sub-leasing bottling units to increase our production volumes. We will evaluate options to establish additional grain ENA manufacturing facilities which will help reduce dependency on vendors, ensure improved supply security, and stable quality and input costs.

We intend to also rationalize our debt which will improve our operating leverage and free cash flows. For further information, see “*Objects of the Offer*” on page 115. We believe in an optimum asset-light model which will be reviewed as the business grows, thereby improving our operating efficiencies and margins.

Evaluate growth opportunities through selective acquisitions

We intend to selectively pursue strategic acquisitions and investments and other strategic alliance partnerships that are complementary to our growth strategy, particularly those that can help us enrich our product portfolio and expand our customer base. Our extensive industry experience and insights enable us to identify suitable targets and effectively evaluate and execute potential opportunities. We intend to search for opportunities to acquire or license third-party brands in India and overseas that we believe will add value to our existing portfolio.

To improve our backward integration capabilities, we intend to acquire or build additional distilleries across India that will improve and expand our production capacity. Acquisition or development of such distilleries will limit supply constraints which in turn will allow us to improve our margins. In evaluating financing of any such acquisitions, we remain committed to enhancing shareholder value in the long term, both by investing in the businesses and brands so as to improve the return on investment.

Focus on environmental and social practices

Environment sustainability is a key focus across all parts of our business and operations. Our sustainability initiatives are aimed at zero harm, zero waste and zero discharge. To achieve this vision, quality and compliance controls are being established and revamped right from the supply chain to the value chain. We intend to continue

our growth into this area. We intend to reduce our consumption of fossil fuels and increase use of aseptic packaging, implementation of solar energy to power manufacturing operations and reduction in the use of water as part of our distilling and IMFL bottling operations. We have created an exclusive limited-edition pack for our *Sterling Reserve* whisky using discarded fabric. This limited-edition packaging is hand-crafted and results in reduced waste in landfills, water saving and provides employment to handicraft artisans.



ESG PRIORITIES
VISION 2023-2025
"Sustainability is Cool"

We strive to operate a socially impactful company that considers the well-being of all persons involved in our process to deliver great products to our consumers. As part of our social initiatives, we intend to offer further training to workmen on quality aspects, inclusive participation, and knowledge management sessions.

Enhance brand awareness and engagement through digital marketing

With near-universal mobile phone penetration in the country, digital and social media are increasingly becoming hotspots to connect with consumers. Digital and social media delivers higher efficiency on account of ability to target basis geography and audience profiles. We will want to evolve to a digital-first company and continuously engage with our consumers through a mix of relevant content and appropriate targeting. We have won several key awards for our digital activation in the past few years and will intend to capitalise on our digital marketing abilities innovatively and effectively in the future.

BUSINESS OPERATIONS

We are engaged in the manufacturing, marketing and sale of alcoholic beverages in India and abroad. Our manufacturing network includes one owned distillery, nine owned bottling units and 22 non-owned manufacturing units. Our product range includes five main categories: whisky, brandy, rum, vodka and others. The following table sets forth information on our product mix in the periods indicated:

Category	Fiscal									Nine months ended December 31, 2021		
	2019			2020			2021			No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)
	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)			
Whisky	35.60	86,415.27	96.72%	31.85	78,389.20	96.55%	24.60	62,245.79	97.58%	20.04	52,851.39	97.06%
Brandy	1.29	1,253.99	1.40%	1.02	968.72	1.19%	0.67	413.67	0.65%	0.39	302.74	0.56%
Rum	0.29	463.95	0.52%	0.27	438.61	0.54%	0.20	223.89	0.35%	0.20	182.17	0.34%
Vodka	0.14	230.19	0.26%	0.09	140.98	0.18%	0.05	65.56	0.10%	0.03	35.34	0.06%
Others ⁽¹⁾	-	982.57	1.10%	-	1,253.14	1.54%	-	838.85	1.32%	-	1,078.20	1.98%
Total	37.32	89,345.97	100.00%	33.23	81,190.65	100.00%	25.52	63,787.76	100.00%	20.66	54,449.84	100.00%

⁽¹⁾ Others primarily include ENA and by-products.

Our Brands and Products

We entered the mass-premium whisky segment with our flagship brand, *Officer's Choice* Whisky, in 1988. Over the years, we have expanded and introduced products across the different segments and categories of the alcohol industry. The Indian alcohol industry is split into six segments: Scotch, Premium, Semi-premium, Deluxe, Mass Premium and Economy segments. Over the years, we have ventured into the various segments and categories and now have a diversified portfolio of brands across most segments or categories of the industry. The table below depicts the distribution of our products across the various segments in the industry:

Industry Category and Segment	Brand
Whisky	
Premium	Sterling Reserve Blend 10 Whisky
Semi-premium	Sterling Reserve Blend 7 Whisky
Deluxe	Officer's Choice Blue Whisky
Mass Premium	Officer's Choice Whisky; Officer's Choice Star
Brandy	
Premium	Kyron Premium Brandy
Mass Premium	Officer's Choice Brandy
Rum	
Deluxe	Jolly Roger Rum
Mass Premium	Officer's Choice Rum
Vodka	
Mass Premium	Class 21 Vodka

Officer's Choice

Officer's Choice is our flagship brand, launched in 1988. In August 2014, our *Officer's Choice* brand was declared the fastest growing brand across all markets and categories by the International Wines and Spirits Record. (Source: *Technopak Report*)

Under our *Officer's Choice* franchise, we have a presence in five different segments within the industry: Officer's Choice Blue, a deluxe segment whisky, Officer's Choice Whisky and Officer's Choice Star, both mass premium segment whiskies, Officer's Choice Brandy, a mass premium segment brandy, and Officer's Choice Rum, a mass premium segment rum.

As of March 31, 2022, we produce 29 SKUs of the various products under the Officer's Choice brand. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 35.13 million cases, 29.97 million cases, 22.25 million cases and 17.71 million cases of products under the Officer's Choice brand.

Officer's Choice Blue



Officer's Choice Blue, a whisky product in the deluxe segment, delivers a smooth palate experience, bringing together a fine blend of Scotch malts and select Indian grain spirits. The blend has a subtle fruity, leafy, peaty and woody aroma. The primary ingredients used in this blend are demineralised water, grain ENA, scotch malt and caramel. As of March 31, 2022, we produced six SKUs of Officer's Choice Blue Whisky, in volumes of one liter, 750 milliliters, 500 milliliters, 375 milliliters, 180 milliliters and 90 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 8.98 million cases, 8.46 million cases, 5.84 million cases and 4.30 million cases of Officer's Choice Blue, respectively.

Officer's Choice Whisky



Officer's Choice Whisky is our flagship product in the mass premium segment. It was launched in 1988 and has been among the top selling whisky brands globally in terms of volume. (Source: *Technopak Report*) It is currently ranked third among the largest selling whisky brands globally and is one of the largest exported brands in 2021. (Source: *Technopak Report*) It is a fine malt whisky blend and the primary ingredients used in this blend are demineralized water, grain ENA, matured malt spirit, scotch malt, nature identical food flavours and caramel. As of March 31, 2022, we produced eight SKUs of Officer's Choice Whisky, in volumes of one liter, 750 milliliters, 500 milliliters, 375 milliliters, 180 milliliters, 125 milliliters, 90 milliliters and 60 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 24.70 million cases, 20.29 million cases, 15.54 million cases and 12.79 million cases of Officer's Choice Whisky respectively.

Officer's Choice Star



Officer's Choice Star, a whisky product in the mass premium segment, is a contemporary blend made of demineralized water, grain ENA, matured malt spirit, nature identical food flavours and caramel. As of March 31, 2022, we produce five SKUs of Officer's Choice Star Whisky, in volumes of one litre, 750 milliliters, 375 milliliters, 180 milliliters and 90 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 0.13 million cases, 0.18 million cases, 0.25 million cases and 0.24 million cases of Officer's Choice Star, respectively.

Officer's Choice Brandy



Officer's Choice Brandy, a brandy product in the mass premium segment, is specially crafted for smoothness and pleasant flavor. Blended from demineralized water, grain ENA, matured grape spirit, nature identical food flavours and caramel. As of March 31, 2022, we produce five SKUs of Officer's Choice Brandy, in volumes of one litre, 750 milliliters, 500 milliliters, 375 milliliters, and 180 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 1.10 million cases, 0.84 million cases, 0.54 million cases and 0.31 million cases of Officer's Choice Brandy, respectively.

Officer's Choice Rum



Officer's Choice Rum, a rum product in the mass premium segment, possesses overlapping notes of rum, fruits, and wood. It is a blend made of demineralised water, grain ENA, special spirit, nature identical food flavours and caramel. As of March 31, 2022, we produce five SKUs of Officer's Choice Rum, in volumes of one liter, 750 milliliters, 500 milliliters, 375 milliliters and 180 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 0.18 million cases, 0.20 million cases, 0.08 million cases and 0.07 million cases of Officer's Choice Rum, respectively.

Sterling Reserve

Sterling Reserve is our award-winning blended whisky brand, launched in 2017 to enter the premium and semi-premium segments of the industry with our two blends, Sterling Reserve Blend 10 Whisky in the premium segment and Sterling Reserve Blend 7 Whisky in the semi-premium segment. In 2019, Sterling Reserve was the fastest growing spirits brand globally by sales volume, growing at a rate of 131%. (Source: Technopak Report)

As of March 31, 2022, we produce eight SKUs of the various products under the Sterling Reserve brand. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 1.76 million cases, 2.91 million cases, 2.97 million cases and 2.71 million cases of products under the Sterling Reserve brand, respectively.



Sterling Reserve Blend 10 Whisky



The Sterling Reserve Blend 10 whisky brings together the finest Indian grain spirits and Scotch malts sourced from distinct barrel origins, that is chill-filtered with a smooth finish and 10 unique tasting notes.

The Sterling Reserve Blend 10 is manufactured with ingredients like select GENA, rare scotch malt and caramel. As of March 31, 2022, we produce four SKUs of Sterling Reserve Blend 10 whisky, in volumes of 750 milliliters, 375 milliliters, 180 milliliters and 90 milliliters bottles with canisters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 0.17 million cases, 0.23 million cases, 0.16 million cases and 0.09 million cases of Sterling Reserve Blend 10 Whisky, respectively.

Sterling Reserve Blend 7 Whisky



The Sterling Reserve Blend 7 whisky is a unique tasting experience that casts seven different tasting notes, and is created and blended from the finest Indian grain spirits and Scotch malts from barrels of different origins. The soft-toasted touch of charred oak provides the luxurious texture and smooth, well-rounded finish. The Sterling Reserve Blend 7 is manufactured with ingredients like grain ENA, rare scotch malt and caramel. As of March 31, 2022, we produce four SKUs of Sterling Reserve Blend 7 whisky, in volumes of 750 milliliters, 375 milliliters, 180 milliliters and 90 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 1.59 million cases, 2.68 million cases, 2.81 million cases and 2.62 million cases of Sterling Reserve Blend 7 Whisky.

Kyron Premium Brandy



Kyron is our brand under which we produce our premium brandy. Kyron premium brandy is mainly popular in our key southern Indian markets. Our Kyron brand is also closely associated with the fashion scene, with a presence at Fashion Weeks at different cities. The Kyron Premium Brandy is manufactured with ingredients like select grain ENA, rare matured French grape spirit, nature identical food flavours and caramel. As of March 31, 2022, we produce four SKUs of the Kyron Premium Brandy, in volumes of 750 milliliters, 375 milliliters, 180 milliliters and 90 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 0.14 million cases, 0.15 million cases, 0.09 million cases and 0.08 million cases of Kyron premium brandy, respectively.

Jolly Roger Rum



We produce rum in the deluxe segment under our Jolly Roger brand. Our Jolly Roger Rum is blended with ENA and special spirits, nature identical food flavours and caramel. As of March 31, 2022, we produce four SKU's of Jolly Roger Rum, in volumes of 750 milliliters, 500 milliliters, 375 milliliters and 180 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 0.11 million cases, 0.07 million cases, 0.12 million cases and 0.13 million cases of Jolly Roger Rum, respectively.

Class 21 Vodka

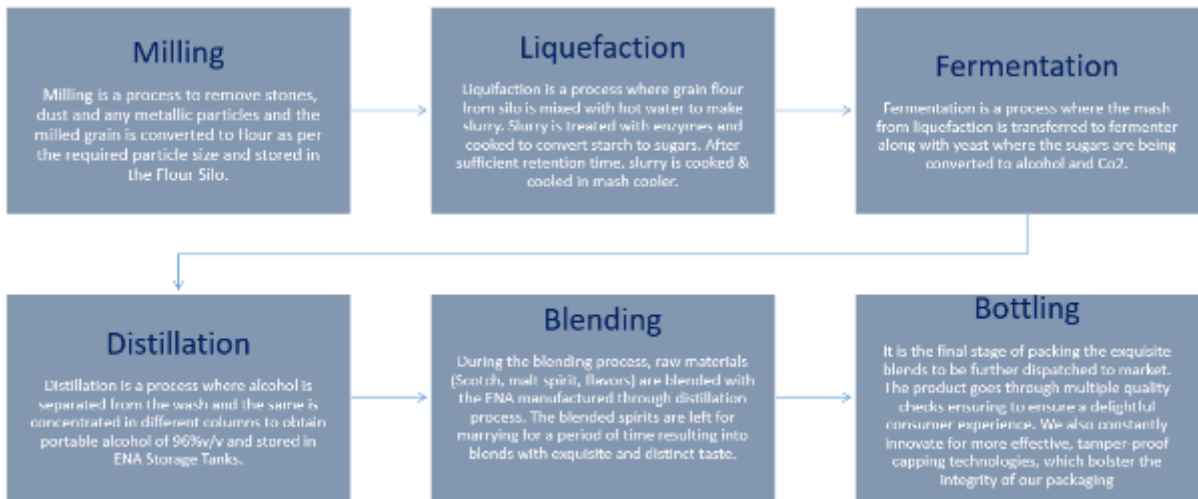


We manufacture vodka in the mass premium segment under our Class 21 brand. Class 21 vodka is a grain vodka. It is manufactured with ingredients like grain ENA, demineralized water and nature identical food flavours. The blend is subjected to an activated carbon treatment process to bring about a delicate, clean and crisp vodka profile. As of March 31, 2022, we produce three SKUs of Class 21 Vodka, in volumes of 750 milliliters, 375 milliliters and 180 milliliters. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we sold 0.14 million cases, 0.09 million cases, 0.05 million cases and 0.03 million cases of Class 21 Vodka, respectively.

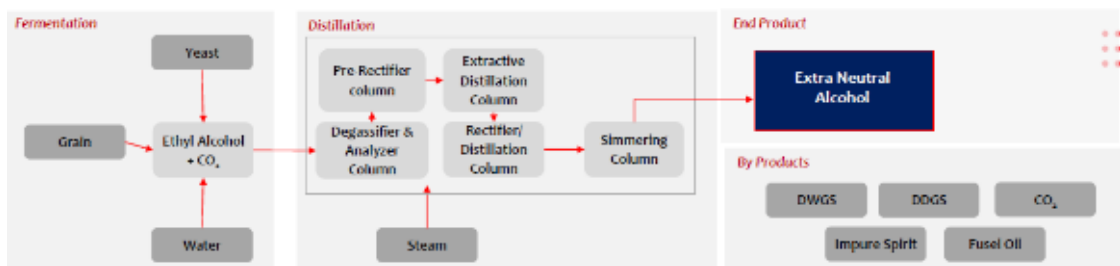
Manufacturing Process

In general, our products go through six stages of processing from grain selection to bottling. At every stage, our operations are handled by specialists who are equipped with both theoretical and practical knowledge in their area of expertise, having gone through extensive training at our state-of-the-art training centre in Aurangabad.

The stages of our manufacturing process are as represented below:



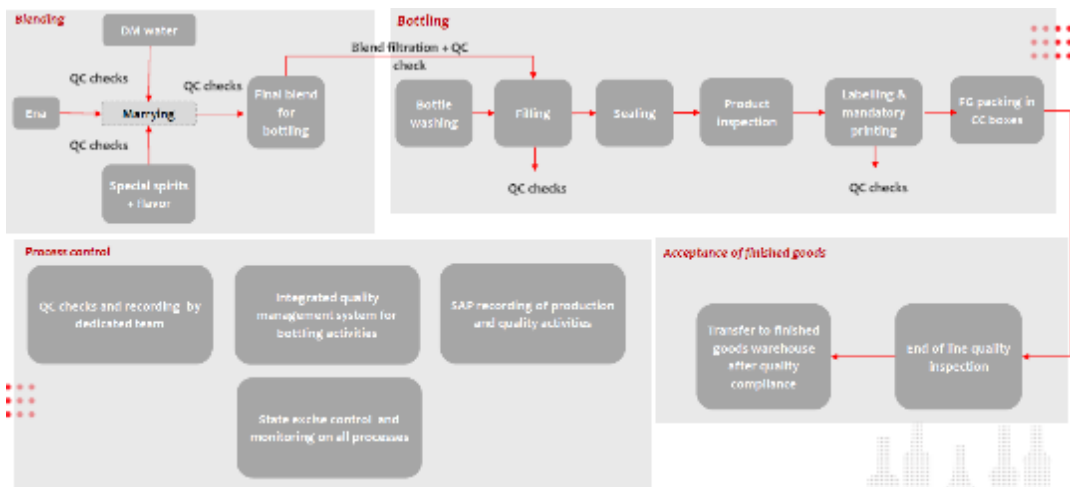
Distillation Process



The raw ingredients such as milled and cooked grain, yeast, water are first put in a fermenter and fermented for three days prior to distillation. The fermentation process is supervised by trained experts under controlled environments to convert the raw ingredients to form alcoholic compounds using yeast as a catalyst. Upon completion, the products from fermentation are ethyl alcohol and carbon dioxide.

The ethyl alcohol is then put through the distillation process where it goes through the degassifier and analyser column, the pre-rectifier column, the extractive distillation column, the rectifier or distillation column and the simmering column. With steam, the final product that comes out from the distillation will be the extra neutral alcohol which is a raw ingredient for many of our alcoholic products. Certain by-products are released as well, including distiller’s wet grain solubles, distiller’s dried grains with solubles, carbon dioxide, impure spirit and fusel oil.

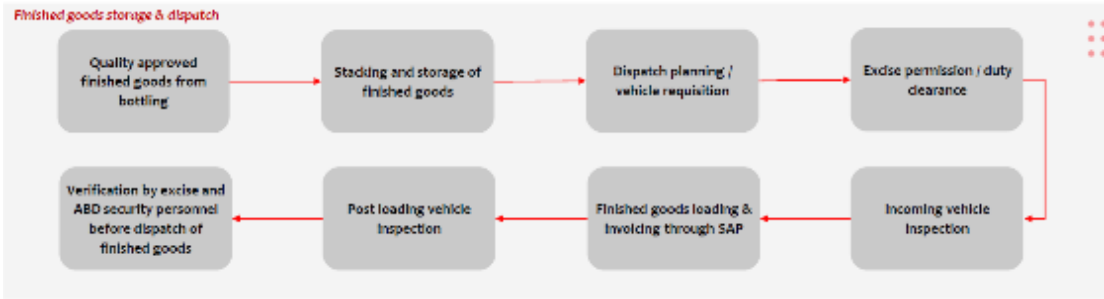
Blending and Bottling Process



All of our raw ingredients, including the ENA that we produce, undergo quality control checks prior to blending, including chemical estimation, gas chromatography estimation and organoleptic checks. Thereafter, the extra neutral alcohol, demineralised water and any other special spirits or flavours and caramel are added into the blending unit, and “married” to become the final blend for bottling.

All of our bottles also undergo certain quality checks. Once approved, the bottles are filled and sealed and sent for inspection, labelling and mandatory printing. There are multiple quality control checks throughout the blending and bottling process, and once the final, end-of-line quality inspection is completed, the bottled products are then transferred to our finished goods warehouse for storage.

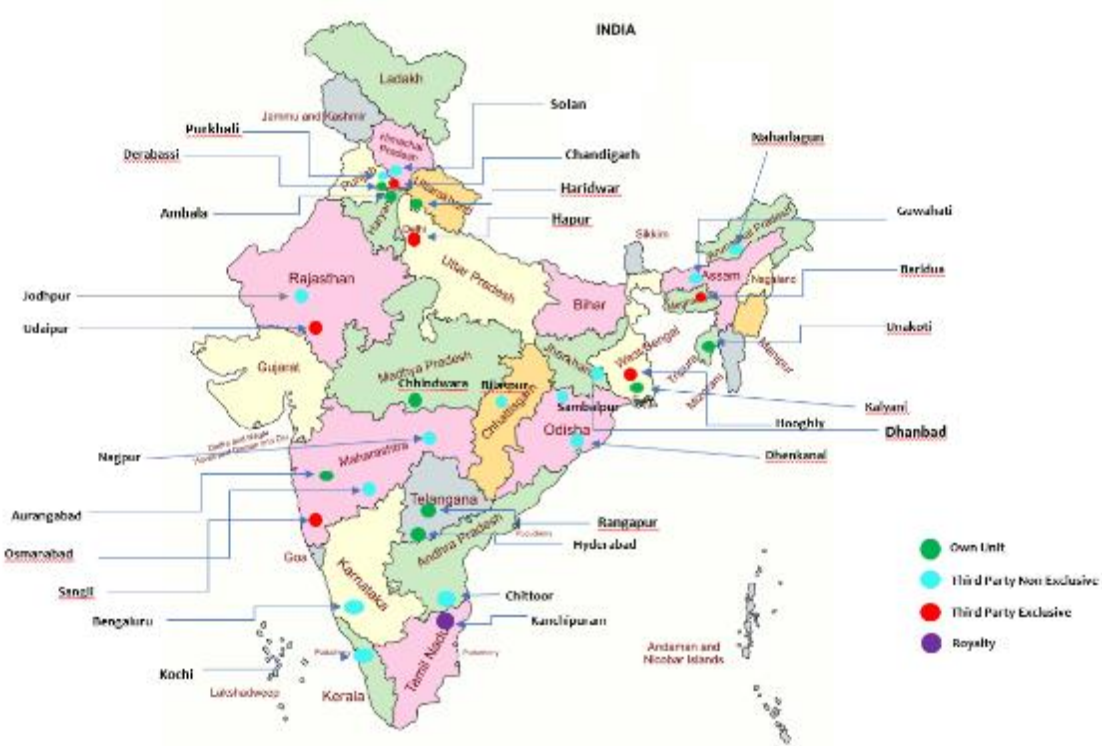
Warehousing



At the warehouse, the goods are stacked and stored, planned and prepared for dispatch. Excise permission and duty clearance is then obtained, and the incoming dispatch vehicle is inspected. The finished goods are loaded and invoiced through our SAP software, and the loaded vehicles are then inspected again. Thereafter, there is a final verification by excise official and our own in-house security personnel before the finished goods are dispatched. Process controls at this stage include monthly finished goods audit by our in-house personnel, and monthly finished goods integrity check for aging stock and recording through our SAP software.

Facilities

As of December 31, 2021, we relied on 30 bottling facilities, including bottling facilities owned and operated by us and contract bottling facilities both on exclusive and non-exclusive basis. Our distillery is located in Rangapur, Telangana and is spread over an area of 74.95 acres and a built-up area of over 25,000 square meters. We possess a pan-India footprint of bottlers with an optimal mix of owned and third party bottling facilities. In Fiscal 2021, 58.82% of our production was from our own bottling facilities and the remaining from contract or leased units. The following map depicts the presence of our facilities across India.



All facilities, including third party bottling facilities that manufacture our products, utilise standardized production and management systems on raw ingredient processing, blending, bottling and quality control. Quality managers ensure quality standard for our products, enabling us to manufacture products with consistent taste and quality.

Capacity and Capacity Utilization

As of December 31, 2021, we owned and operated nine bottling units, and had entered into arrangements with six third party bottling facilities, where the entire licensed capacity is utilized by us. In addition, we have entered into 15 bottling agreements on a non-exclusive basis with third-party bottling facilities, including one facility where we have entered into a royalty arrangement.

In this Draft Red Herring Prospectus, we have presented licensed capacity and corresponding capacity utilization information for only (i) all bottling facilities owned and operated by us in Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021; and (ii) six third party bottling facilities for which we have entered into exclusive bottling arrangements with respect to the nine months period ended December 31, 2021. In Fiscal 2019, 2020 and 2021, we had entered into exclusive bottling arrangements with various third party bottling facilities which arrangements were not renewed in subsequent fiscal years. We are therefore unable to present the licensed capacity, and capacity utilization information with respect to such third party bottling facilities with which we had entered into exclusive bottling arrangements in Fiscal 2019, 2020 and 2021. In addition, depending on our business requirements, we enter into non-exclusive bottling arrangements with various third party bottling facilities which arrangements may be short term in nature and may not be renewed in subsequent fiscal years. Under such non-exclusive arrangements, we do not have access to exclusive use of the licensed capacity of the facility and other producers may also use such bottling facilities for bottling of their products. We are therefore unable to present information relating to the licensed capacity of and capacity utilization achieved at these non-exclusive facilities.

The licensed capacity and capacity utilization information included in this Draft Red Herring Prospectus has been certified by Sunil Bhor & Associates, independent chartered engineers, by certificate dated June 24, 2022.

The following table sets forth the licensed capacity, actual production and capacity utilization for the periods indicated:

Facility ⁽¹⁾	Fiscal								
	2019			2020			2021		
	Licensed Capacity (cases) ^{*(2)(3)}	Actual Production (cases)	Capacity Utilisation (%)	Licensed Capacity (cases) ^{*(2)(3)(4)}	Actual Production ⁽⁴⁾ (cases)	Capacity Utilisation ⁽⁴⁾ (%)	Licensed Capacity (cases) ^{*(2)(3)(4)}	Actual Production ⁽⁴⁾ (cases)	Capacity Utilisation ⁽⁴⁾ (%)
Owned Bottling Facilities	25,773,932	18,795,137	72.92%	25,673,932	16,753,169	65.25%	27,055,432	14,797,750	54.69%

Notes:

- (1) In Fiscal 2019, 2020 and 2021, we owned and operated the following bottling facilities located at: Aurangabad, in Maharashtra; Rangapur in Telangana; Hyderabad in Telangana; Chhindwara in Madhya Pradesh; Kalyani in West Bengal; Unakoti in Tripura; Ambala in Haryana; Haridwar in Uttarakhand; and Bengaluru in Karnataka. In Fiscal 2021, we also added a new owned and operated facility located at Derabassi in Punjab.
- (2) Licensed capacity represents the minimum licensed capacity approved by various statutory authorities, e.g. the licensed capacity approved by the excise department and that approved by the pollution control boards of the relevant States and Union Territories, granted to a certain facility. Such licensed capacity can vary between fiscal periods depending on any revisions during or at end of such fiscal periods to the licensed capacity approved by such regulatory authorities.
- (3) Our aggregate licensed capacity was lower in Fiscal 2020 compared to that in Fiscal 2019 due to a lower licensed capacity approved for our facility located at Aurangabad in Maharashtra. Our aggregate licensed capacity was higher in Fiscal 2021 compared to that in Fiscal 2020 due to the addition of our new owned and operated facility located at Derabassi in Punjab.
- (4) Although we have included the licensed capacity of our Bengaluru facility in the total licensed capacity for owned bottling facilities in Fiscal 2020 and Fiscal 2021, due to various commercial considerations, we did not carry out any bottling in, and did not utilize the licensed capacity in our Bengaluru facility during such fiscal periods.

The following table sets forth the licensed capacity, actual production and capacity utilization at our owned facilities as well as third party bottling facilities with which we had entered into arrangements with in the nine months ended December 31, 2021:

Facility	Nine months ended December 31, 2021		
	Licensed Capacity (cases) ⁽³⁾⁽⁴⁾	Actual Production (cases)	Capacity Utilisation (%)
Owned Bottling Facilities ⁽¹⁾	19,860,324	12,854,384	64.72%
Third party facilities with exclusive bottling agreements ⁽²⁾	6,577,500	4,031,229	61.29%

Notes:

- (1) Includes our nine owned and operated bottling facilities located at Aurangabad in Maharashtra; Rangapur in Telangana; Hyderabad in Telangana; Chhindwara in Madhya Pradesh; Kalyani in West Bengal; Unakoti in Tripura; Ambala in Haryana; Haridwar in Uttarakhand; and Derabassi in Punjab.
- (2) Includes the six third-party bottling facilities located at Hapur in Uttar Pradesh; Udaipur in Rajasthan; Hooghly in West Bengal; Chandigarh; Baridua in Meghalaya; and Sangli in Maharashtra.
- (3) Licensed capacity represents the minimum licensed capacity approved by various statutory authorities, e.g. the licensed capacity approved by the excise department and that approved by the pollution control boards of the relevant States and Union Territories, granted to a certain facility. Such licensed capacity can vary between fiscal periods depending on any revisions during or at end of such fiscal periods to the licensed capacity approved by such regulatory authorities. For the nine months ended December 31, 2021, the licensed capacity has been calculated on a prorated basis, based on the annual licensed capacity available for Fiscal 2022.
- (4) We have not included the licensed capacity of our Bengaluru facility in the total licensed capacity for owned bottling facilities in the nine months ended December 31, 2021, as we discontinued operations at such facility prior to such fiscal period. As such, the total licensed capacity for the nine months ended December 31, 2021 may not be comparable to the total licensed capacity information presented above for Fiscal 2019, 2020 and 2021, which included the licensed capacity of the Bengaluru facility.

Actual production levels and utilization rates may differ significantly from the licensed capacity or the historical capacity utilization information of our owned and operated bottling facilities and third party exclusive bottling facilities due to various reasons including availability of raw materials, downtime resulting from scheduled maintained activities, unscheduled breakdowns as well as expected operational efficiencies.

Power and Water

Given the scale of our operations and the type of products that we produce and process, we require a significant amount of power and water. We depend on state electricity supply for our power requirements and utilise diesel generators to ensure that our facilities are operational during power failures or other emergencies. We source our water requirements from state and municipal corporations and local body water supply where our distillery and bottling facilities are located.

Raw Materials

Our raw material requirements include ingredients required for production of our various products, alcoholic and non-alcoholic, as well as packaging and labelling materials. Our primary required raw ingredients for the manufacturing of our products are ENA, malt spirit, scotch, food flavour and caramel. A portion of ENA, the primary raw material for our products, are also sourced from third party manufacturers apart from being produced in-house. We use grain for the manufacture of ENA which is sourced primarily from the States of Telangana, Andhra Pradesh and Karnataka. We presently procure our raw materials from select manufacturers and distillers through a process of empanelment which involves conducting technical due diligence of the facility, process monitoring over a period of time and consistency of the quality of final product. We also do physical evaluation of products through our technical representative at the time of sourcing. Our procurement is based on our requirements on an on-going basis, through purchase orders, letters of intent and transport contracts at an “as needed” basis.

The cost of materials consumed in Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021 was ₹ 18,365.84 million, ₹ 18,451.21 million, ₹ 13,904.44 million and ₹ 12,005.34 million, and accounted for 21.28%, 23.40%, 22.48% and 22.68% of our total expenses (excluding finance cost and depreciation/amortisation), respectively.

Packaging

We sell our products in glass and polyethylene terephthalate (PET) bottles and in tetra packs in various sizes ranging from 90 milliliters to 1 liters. We use certain materials for packaging, which includes glass bottles, plastic and aluminium caps, as well as cardboard containers (master and mono) with our brands printed on them. The cost of packaging materials in Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, amounted to ₹ 10,171.32 million, ₹ 9,402.44 million, ₹ 7,606.57 million and ₹ 5,999.13 million, and accounted for 11.38%, 11.58%, 11.92% and 11.02% of our total revenue from operations in the same periods.

Packaging of our products have in the past been awarded various awards. For example, our Sterling Reserve Limited Edition Packs was awarded Gold at the Design and Packaging Masters 2021, awarded by The Spirits Business in the United Kingdom, and our Sterling Reserve Blend 7 packaging was awarded the Best Packaging (Monocarton) in the Ambrosia Awards 2020. Some of our packaging is closely related to our marketing and brand promotion efforts. For example, one of our marketing strategies involve the sponsorship of, and advertisement with, cricket teams in the Indian Premier League. For further information, see “– Marketing and Business Promotion” on page 200.



We procure our packaging materials from suppliers based on standard evaluation criteria of suppliers which includes supplier infrastructure, quality and capacity, and our procurement is based on our requirements on an ongoing basis, through purchase agreements with our suppliers on an annual basis.

Quality Control

As a manufacturing company, we are subject and adhere to strict regulations on product quality and safety. From the procurement of raw ingredients and materials to the packaging and shipping of products, we have a team of experienced and skilled personnel that ensures each product adheres to our internal and external quality control standards and regulations, as of March 31, 2022. At every stage of the blending and bottling process, our products are subject to multiple rounds of quality controls and inspections in order to ensure that such product quality and safety standards are conformed with. Our quality control team is trained at our training centre in Aurangabad. There is a separate team comprising of executives from quality control and marketing, who track complaints arising from the quality of our products. We have also engaged a third-party service provider to share complaints with the relevant team members on periodic basis including monitoring redressal.

Research and Development

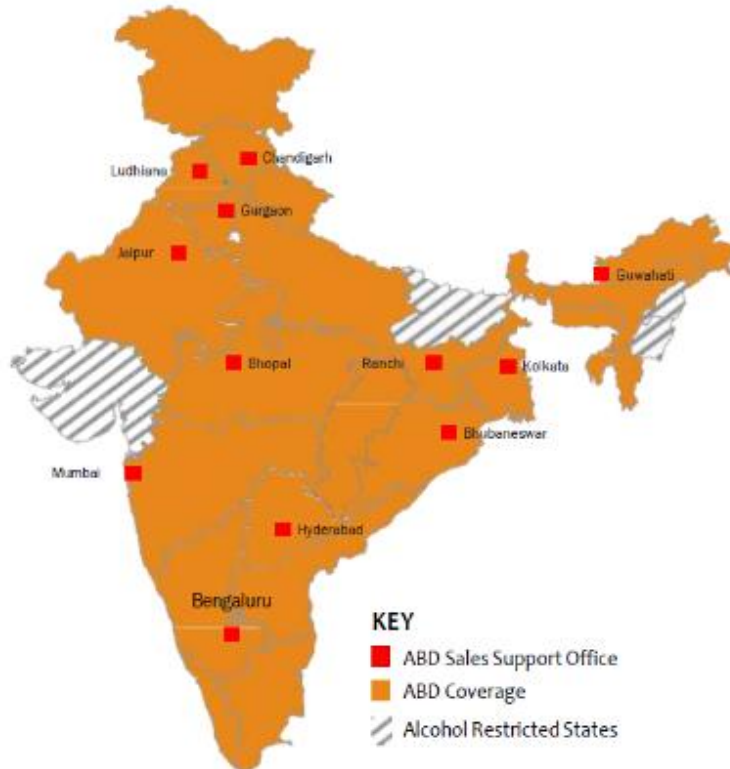
Our research and development facility is a fully integrated in-house support facility located at Aurangabad, Maharashtra with a self-contained application laboratory, instrumentation laboratory, material testing laboratory, wet chemistry laboratory, micro biology laboratory and a sensory laboratory. We also have a compounding facility which supports our blending program. We also have four regional quality laboratories which work in close collaboration with our Central Quality Control Laboratory. We also work with external accredited laboratories like Vasant Dada Sugar Institute, Inter Stellar, Du Pont and flavouring houses. As of March 31, 2022, our research and development team comprised six full-time employees. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we have spent ₹ 12.97 million, ₹ 12.73 million, ₹ 11.75 million and ₹ 9.45 million, respectively on research and development respectively, which accounted for 0.01%, 0.02%, 0.02% and 0.02% of our total revenue from operations in the same periods.

Our research and development capabilities are focused on product innovation from conceptualization and development of new products, to sourcing new raw materials for packaging for cost optimisation and product innovation purposes, and also product engineering and re-engineering. Our research and development facility is equipped with instrumentation for testing raw materials, blend applicability and product quality and safety. We also possess capabilities in flavour selection through analytical and sensory evaluation processes, quality assurance and compounding of flavours, followed by distribution of the developed products under their respective product profiles (i.e., whisky, rum or brandy). We have a trained in-house panel of sensory experts to continuously analyse and evaluate consistency and correctness of products. In addition, our research and development is also focussed on innovation in packaging and our packaging material is also evaluated to ensure that it conforms with standards. For instance, we have developed sustainable packaging for *Sterling Reserve* and have been awarded Gold at the Design and Packaging Masters 2021 for the Sterling Reserve Limited Edition Packs.



Government Regulation and Distribution

We are one of the only four spirits companies in India with a national sales and distribution footprint (*Source: Technopak Report*), with a presence in more than 30 States and Union Territories. We possess a pan-India route-to-market capabilities covering all channels within the alcohol permitted States and Union Territories. As of March 31, 2022, we have a network consisting of 12 regional sales support offices, 316 employees in our sales department, and 179 sales consultants, to support the volume growth of our brands.



Map not to scale.

Each State in India has its own model of distribution, and there are multiple modes being used in the country including complete control of distribution network including state run wholesaling and retailing to control over either wholesaling or retailing. However, in some States, distribution is not carried out directly by the State where both wholesaling and retailing is in the hand of private parties. The States also control distribution by not allowing to open new outlets in their areas. Any movement of also beverages from manufacturing units is authorized by government officials.

Across India, we distribute our products primarily through Open Market, Part Corporation Market and Full Corporation Market channels, with 64,001 retail outlets across India (*Source: Technopak Report*). Our unique distribution system with various levels of government involvement allows us to maximise our profitability.

Open Market. We sell our products directly to wholesalers and retailers controlled by private distributors and retailers. This option is prevalent in States such as Maharashtra, Goa and Assam. (*Source: Technopak Report*)

Part Corporation Market. Part Corporation Markets, have the following types of model: (i) wholesale and distribution is undertaken by state beverage corporations while retail sales is undertaken by private players; and (ii) private retailers lift stock from the warehouses of the state beverage corporations and are invoiced based on the quantities of stock lifted by them. Part Corporation Market route is prevalent in States such as Rajasthan, Karnataka and Madhya Pradesh. (*Source: Technopak Report*)

Full Corporation Market. In Full Corporation Markets, wholesale and retail sales are controlled by state beverage corporations. Full Corporation Market route is prevalent in States such as Kerala, Andhra Pradesh and Tamil Nadu. (*Source: Technopak Report*)

In addition, we also have a retail outlet located in Mumbai, Maharashtra.

Excise Duty

As we are a manufacturer of alcoholic products, we are subject to excise duty in India levied by various state governments. We pay excise duty based upon bulk litre / production volumes / bottled volume. For sales in India, most of the state governments insist on affixing a stamp/hologram on each bottle, which indicates that the excise tax has been paid. State excise department also charge multiple annual fees including brand label registration fees before marketing of the given brand is allowed. For export of our products, we label the bottles “for export only”. The excise duty applied to alcoholic beverages are determined by excise policies of the respective state government in which they are produced and sold.

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Source: Primary Research, Technopak Analysis

*Corporation is a state government-owned entity with a monopoly of distribution rights to retailers

**Wholesalers are privately dealing with multiple manufacturers. A large part of retail and wholesale has common ownership.

The table below sets forth certain details regarding the distribution of our products based on various channels for the periods indicated:

Channel	Fiscal									Nine Months ended December 31, 2021		
	2019			2020			2021			Volume (Million Cases)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)
	Volume (Million Cases)	Revenue from contracts with customer - Sale of goods (IMFL)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)	Volume (Million Cases)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)	Volume (Million Cases)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)			
Open Market	13.88	28,521.27	32.26%	12.99	32,134.04	40.16%	11.15	28,595.97	45.40%	9.04	24,270.96	45.44%
Part (Wholesale) Corporation Market	18.50	53,452.92	60.46%	16.57	42,593.85	53.24%	13.85	33,884.61	53.79%	11.25	28,728.94	53.79%
Full (Wholesale and Retail) Corporation Market	4.95	6,442.10	7.29%	3.68	5,277.90	6.60%	0.52	508.75	0.81%	0.37	409.70	0.77%
Revenue from contracts with customer- Sale of goods (IMFL)	37.33	88,416.29	100.00%	33.23	80,005.79	100.00%	25.52	62,989.33	100.00%	20.66	53,409.59	100.00%

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Exports

We are a leading exporter of IMFL, in terms of annual sales volumes between Fiscal 2019 to Fiscal 2021 with an estimated peak share of 20% in FY 2021. (Source: Technopak Report) As of March 31, 2022, we have exported our products to 22 countries internationally, including countries in North and South America, Africa, Asia, and Europe. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, revenues from our export sales were ₹ 1,168.08 million, ₹ 661.46 million, ₹ 1,335.53 million and ₹ 1,132.44 million, respectively, and accounted for 3.81%, 2.21%, 5.69% and 5.82%, respectively, of our Net Revenue from Operations.

Our export sales are primarily organized through importers or distributors, with whom we have entered into agreements for the distribution of our products. We believe that our diversified portfolio of products enables us to cater to international consumer tastes and preferences, and has allowed us to increase our exports.

Pricing

Prices of alcoholic beverages in India is controlled by respective state governments with varying tax structures leading to high variation in prices across States. (Source: Technopak Report) Accordingly, our ability to price our products depends on multiple factors and primarily driven by pricing norms stipulated by respective States and Union Territories. Price is determined by two key factors: (i) Ex-distillery price (“EDP”) which covers the cost of production; and (ii) state excise policies which specify duties, license fees, cess and surcharges, wholesale margin and retail margin. Taxes and margin are calculated as a percentage of EDP. The contribution of taxes and margins progressively decreases as the EDP increases depending on the category of product. One of the key challenges in the industry is the revision of prices. Price revisions are approved and is the prerogative of excise department.

Marketing and Business Promotion

We have strategically undertaken brand-building initiatives to increase brand awareness and consumer goodwill of our brands through prudent use of resources and sustained investments in advertising and promotion. In Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, our advertisement and promotion expenses were ₹ 1,685.30 million, ₹ 1,316.18 million, ₹ 906.63 million and ₹ 704.30 million, respectively, which represented 5.49%, 4.39%, 3.86% and 3.62%, respectively, of our total Net Revenue from Operations in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021. Over the last three Fiscals, we have undertaken several advertisement campaigns, including *Jo Smooth Vahi Officer*, *Salute Toh Banta Hai*, *Rok Sake Toh Rok Le* and *Chase The Next*. In line with applicable regulations, we typically advertise our products through brand visibility strategies like billboards, banners and other displays at locations with high human traffic, like metros, storefronts, high streets and airports.





For *Officer's Choice Blue* to build a better connect with consumers we have leveraged 'sports' as an interest domain and made strategic marketing investments towards associating with key sporting events across the country. This in the past has included partnerships with teams participating in the Indian Premier League, the Pro Kabaddi League and partnerships with regional football leagues for our focus markets of West Bengal and the North East. We have also in the past appointed celebrity brand ambassadors including a leading cricket personality.

Sterling Reserve connects with younger consumers through content in key areas of interest such as music, comedy and performing arts through the umbrella platform of The Sterling Reserve Project. Content created in these domains subtly integrates the brand proposition and is amplified on relevant mediums online and offline.

Kyron Premium Brandy has sponsored various fashion weeks in cities across South India such as Vizag, Pondicherry, Kochi, and Hyderabad.

Sports		
Music, Gaming and the Arts		

To bolster promotions on our brands, we have also introduced several brand extensions in line with industry practice and advertising guidelines. *Officer's Choice*, *Officer's Choice Blue* and *Sterling Reserve* have brand extensions in packaged drinking water. Marketing efforts on our brands have also received several awards and recognitions, including, *Sterling Reserve* receiving 'Gold' for Best Integrated Campaign at Exchange4Media Indian Digital Marketing Awards 2021 and 'Gold' for Best Content Marketing Campaign at the Adgully Digixx Awards 2021 and *Officer's Choice Blue* winning Silver for Best Use of Facebook at Afaqs Marketers Xcellence Awards 2021. Our packaging innovations have also been recognised with Gold and Silver awards at the Design and Packaging Masters 2021 organised by the international industry publication, The Spirits Business.

Health, Safety and Certifications

Our activities are subject to various legislation and regulations which govern, among others, air emissions, wastewater discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of

contaminated sites, natural resource damages, and employee health and safety. For further information, see “Key Regulations and Policies in India” on page 206.

We consistently and continue to ensure compliance with the applicable regulations and other policies or requirements in our operations. Certain of our facilities have been awarded certifications for our compliance with certain management system standards. For example, our registered and corporate office, as well as our facilities at Aurangabad, Saha, Kalyani, Hyderabad and our bottling facility at Rangapur, Telangana have been awarded ISO 22000:2018 certification, for food safety management system.

Awards and Accolades

Our products and packaging methods have also been awarded certain accolades by independent institutions. The following table sets out certain awards that we have won:

Calendar Year	Particulars
2019	Our brand, Sterling Reserve Premium Whiskies was awarded the Best Digital Marketing Campaign – Alcohol at the Afaqs Great Lifestyle Brands Awards.
2019	Our brand, Sterling Reserve Premium Whiskies was recognised as the World's Fastest Growing Spirits Brand by venerated industry publication, Drinks International.
2019	Our brand, Sterling Reserve Premium Whiskies, was recognised as Brand Champion 2019 – Indian Whisky by the Spirits Business London.
2020	Our marketing effort, Sterling Reserve Music Project was awarded a Silver YouTube Creator Award.
2020	Our brand, Sterling Reserve Premium Whiskies, was recognised as Brand Champion - Indian Whisky by The Spirits Business
2020	Our brand, Sterling Reserve Premium Whiskies was awarded the Best New Marketing Campaign Award at The Spirits Business Awards.
2020	Our brand, Officer’s Choice Blue was awarded Gold in the Promotion & Activation of the Year-Digital category at Spiritz Achiever’s Awards.
2020	Our brand, Sterling Reserve Premium Whiskies was awarded Silver in the Promotion & Activation of the Year- Digital category by Spiritz Achiever’s Awards.
2021-2023	Our brand, Sterling Reserve Blend 10 was rated as a ‘Remarkable Product’ at the Superior Taste Award by International Taste Institute, Brussels.
2021-2023	Our brands, Sterling Reserve Blend 7, Kyron Premium Brandy and Officer’s Choice Blue were rated as ‘Notable Product’ at the Superior Taste Award by International Taste Institute, Brussels.
2021	Our brand, Sterling Reserve Premium Whiskies was awarded Gold in the Best Content Marketing category, for Sterling Reserve Projects, at the Adgully Digixx Awards.
2021	Our brand, Officer’s Choice Blue was awarded a Silver in the Best Use of Facebook category by Afaqs Marketers Xcellence Awards.
2021	Our brand, Sterling Reserve Premium Whiskies was recognised as Brand Champion - Indian Whisky by The Spirits Business.
2021	Our brands, Officer’s Choice Blue and Sterling Reserve Blend 10 were awarded Spirit Bronze Medal at the International Wine & Spirits Competition.
2021	Our brand, Sterling Reserve Blend 7 was awarded Gold in the Best Integrated Campaign (Product/Service) category at the e4m Indian Digital Marketing Awards.
2021	Our brand, Sterling Reserve Blend 7 was awarded Runner-Up in the Best New Marketing Campaign category, for the Sterling Reserve Gaming Pack, at The Spirits Business Awards.
2021	Our brand, Sterling Reserve Blend 7 was awarded Runner-Up in the Best Packaging Innovation category, for the Sterling Reserve Gaming Pack, at The Spirits Business Awards.
2021	Our brand, Sterling Reserve Blend 10, was awarded Gold at the Design and Packaging Masters for its limited-edition pack – The Earth Edition.
2021	Our brand, Sterling Reserve Blend 7, was awarded Gold at the Design and Packaging Masters for its limited-edition pack – The Gaming Pack.
2021	Our brand, Officer’s Choice Blue, was awarded Silver at the Design and Packaging Masters for its packaging redesign.
2021	Our brand, Sterling Reserve Blend 7 was awarded a Silver in the Promotion & Activation of the Year – Digital at the Spiritz Achiever's Awards.
2021	Our brand, Sterling Reserve Blend 7 was awarded a Gold in the Best Online Integrated Campaign category at the Afaqs Digies Awards.
2022	Our brand, Sterling Reserve Premium Whiskies was awarded Gold for its marketing campaigns in the Food and Beverages category at the DMAasia Createffect ECHO Awards.
2022	Our Company won the Whisky Magazine Icons of Whisky India Distiller of the Year Award.
2022	Our brand, Officer’s Choice Whisky, won the Spiritz Selection Liquid Tasting Grand Gold Award.
2022	Our brands, Kyron Premium Brandy, Officer’s Choice Blue, Sterling Reserve Blend 7 and Sterling Reserve Blend 10, won the Spiritz Selection Liquid Tasting Gold Award.
2022	Our brands, Kyron Premium Brandy, Officer’s Choice Blue, Sterling Reserve Blend 7 and Sterling Reserve Blend 10, won the Spiritz Selection Packaging Gold Award.
2022	Our brand, Officer’s Choice Whisky, won the Spiritz Selection Packaging Silver Award.

Calendar Year	Particulars
2022	Our brands, Kyron Premium Brandy, Sterling Reserve Blend 7 and Sterling Reserve Blend 10, won the Monde Selection Gold Award.
2022	Our brand, Sterling Reserve Blend 7, won the gold award in the Alcoholic Drinks category for the Sterling Reserve Gaming Pack, at the Campaign India Media 360 Awards.
2022	Our Sterling Reserve Premium Whiskies was recognised as Brand Champion - Indian Whisky by The Spirits Business.
2022	Our Company won the Top Most Green Company from the Golden Globe Tiger Award.

In addition to the above notable mentions, our brands have also won several awards for product, packaging and campaigns in prestigious Indian platforms. As of the date of this Draft Red Herring Prospectus, we have won 18 Spiritz Awards, seven IndusSpirit Awards, two Golden Globe Tiger Awards and four Wines, Beers and Drinks Awards.

Information Technology

Our information technology systems support key aspects of our business, from manufacturing, sales, planning, finance and accounts, business operations and documentation to accounts and customer services. All our manufacturing facilities and sales offices are connected with state-of-the-art secured network connectivity and are able to access applications and systems for achieving our business objectives. We are using an enterprise resource planning (“ERP”) system to leverage business value by centralizing accounting systems across all locations in India, leading to cost optimization, as well as signing agreements with several third-party software providers to track procurement of raw ingredients and materials, sale and shipment of finished goods, payments to vendors and contract suppliers, receivables from customers and distribution network. For further information, see “*Risk Factors – Internal Risk Factors – 55. Technology failures could disrupt our operations and adversely affect our business operations and financial performance.*” on page 63.

Competition

India alco-beverage market is dominated by strong players across different segment including IMFL, beer and wine segments. (Source: Technopak Report) We face intense competition in the IMFL market in India, from various domestic and multinational companies in India. Some of our key competitors include Bacardi India, United Spirits, John Distilleries, Radico Khaitan Limited and Tilaknagar Industries. (Source: Technopak Report) We may face competition from larger competitors with significant resources and which benefit from economies of scale and scope. We continue to face competition in markets where we currently operate, as well as in markets where we expect to expand our operations and currently have limited or no experience. Also see, “*Risk Factors – Internal Risk Factors – 17. Increasing competition in the IMFL industry may create certain pressures that may adversely affect our business, prospects, results of operations, cash flows and financial condition.*” on page 46.

Intellectual Property

As on March 31, 2022, we own 527 trademarks under various classes, 17 designs and 19 copyrights in India and outside India. For further information, see “*Government and Other Approvals*” on page 418. Also see, “*Risk Factors – Internal Risk Factors – 14. While certain of our trademarks used by us for our business are registered, any inability to protect our intellectual property from third party infringement may adversely affect our business and prospects.*” on page 43.

Human Resources

As of March 31, 2022, we had 3,548 staff, including our contract workers. The following table sets forth information on the number of our staff by department, as of March 31, 2022:

Department	Number of Employees
Manufacturing Operations	
- Production Workers	74
- Production Inspection	115
Sales and Distribution	496
Marketing and Business Promotion	13
Quality Control	82
Accounting and Finance	91
Maintenance	17
Research and Development	6
Human Resources, Legal and Administrative	38
Information Technology	5
Contract Labour	2,611

Department	Number of Employees
TOTAL	3,548

In addition, we provide training on sales skills, people management and personal leadership offered through Skilldom platform. We also engage in professional development and soft-skill programmes. Our recruitment policy is aimed at recruiting talented individuals by utilising internal and external recruitment methods. Internal recruitment methods include promotions and transfers within our Company, or internal job postings/referrals; external recruitment includes campus recruitment, search partners or rehires. We are contemplating options granted under our ESOP Schemes and may in the future grant further options or establish other employee stock option schemes or plans, under which eligible employees may participate, subject to the requisite approvals having been obtained. For further information, see “*Capital Structure*” on page 95.

Corporate Social Responsibility

We undertake our Corporate Social Responsibility (“**CSR**”) activities with our CSR committee, and have undertaken number of CSR projects under our CSR policy. We focus our CSR efforts on promoting health care including preventive health care, promoting education, as well as rural development projects.

Our CSR policy is in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. With our above strategies, we believe that we are adequately and actively engaging with our customers, present and potential, and localizing our brand.

Insurance

We have comprehensive insurance to protect our company against various hazards like accidents, burglary, earthquakes, equipment failure, fire, flood and other *force majeure* events, acts of terrorism and explosions, including hazards that may cause loss of life, severe damage to and the destruction of property and equipment and environmental damage.

Our principal types of insurance coverage include shop keepers insurance, electronic equipment policy, cyber security policy and burglary policies, office umbrella insurance, money insurance, lab equipment and machinery insurance, directors’ and officers’ liability insurance, and marine cargo insurance. Further, we also hold workmen’s compensation insurance which covers highly skilled, skilled, semi-skilled and unskilled workers working for our Company, including cover for contractors/ workers and sub-contractors’ workers.

Also see, “*Risk Factors – Internal Risk Factors – 59. Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.*” on page 64.

Property

As of March 31, 2022, we own 10 properties which primarily include our pan-India offices, our distillery and certain of our bottling facilities.

With respect to our Registered Office at 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, in terms of the consent terms whereby the suit was settled by the Court of Small Causes at Bombay on October 5, 2005, Oriental Radios Private Limited, one of our Promoters, and all of its associate/group companies under the same management, including our Company, have been permitted to, amongst other things, register the address of the suit premises, i.e., 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, with the Registrar of Companies as the registered address of these companies. Accordingly, we have registered the address 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, with the RoC as the registered address of: (i) our Company; (ii) certain of our Subsidiaries, namely, NV Distilleries & Breweries (AP) Private Limited, Sarthak Blenders & Bottlers Private Limited, ABD Dwellings Private Limited and Madanlal Estates Private Limited; (iii) certain of our Promoters, namely, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited and Officer’s Choice Spirits Private Limited; (iv) certain of our Group Companies, namely, Tracstar Investments Private Limited, Starvoice Properties Private Limited, Power Brands Enterprises India Private Limited, Pitambari Properties Private Limited, Lalita Properties Private Limited, Bhuneshwari Properties Private Limited, Ashoka Liquors Private Limited, Tracstar Distilleries Private Limited and Woodpecker Investments Private Limited. For details, see “*Our Subsidiaries*”, “*Our Promoters and Promoter Group*” and “*Our Group Companies*” on pages 226, 257 and 266 respectively.

We own our Corporate Office located at Ashford Centre, 1st, 2nd, 3rd, 4th and 7th floor, Shankar Rao Naram Marg, Opposite Peninsula Corporate Park Main Gate, Lower Parel West, Mumbai - 400 013. Most of our regional offices are held by us on a leased basis. Our bottling facilities across India are owned by us except one located at

Aurangabad in Maharashtra that is held by us on lease basis. Typically, the term of our leases ranges from 24 months to 99 years for our office space and bottling facility which are subject to lock-in for a certain duration over the respective term of such lease. We are required to pay a security deposit, specified monthly rentals and common area maintenance charges for the duration of our lease agreements, subject to periodic escalations at agreed rates. Also see, *“Risk Factors – Internal Risk Factors – 28. Certain of our properties, including our Registered Office and one of our bottling facility are on leased and licensed basis. If we fail to renew these leases on competitive terms or if we are unable to manage our lease rental costs, our results of operations would be materially and adversely affected.”* on page 52.

KEY REGULATIONS AND POLICIES

The following is an overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company and our Subsidiaries. The information in this section has been obtained from publications available in public domain. The rules and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

The information detailed in this chapter, is based on the current provisions of Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to changes, amendments or modifications by subsequent legislative actions, regulatory, administrative, quasi-judicial or judicial decisions.

Under the provisions of various Central Government and State Government statutes and legislations, our Company is required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct our business and operations. For details of government approvals obtained, see "Government and Other Approvals" on page 418. For details, see "Risk Factors – External Risks – 76. Changing laws, rules or regulations and legal uncertainties including taxation laws, or their interpretation, such changes may significantly affect our financial statements" on page 69.

Industry-specific legislations applicable to our Company

Constitution of India

The Constitution of India gives power to the state governments to legislate on or regulate, as the case may be, the production, manufacture, possession, transport, purchase and sale of intoxicating liquor and the levy of excise duties thereon.

The production of liquor products requires manufacturers to obtain distillery licenses from the respective state governments under the local state laws. These licenses also determine the production capacity of each facility.

Excise Laws

State governments are empowered to regulate, among other things, manufacture, import, export, transport, possession, purchase and sale of liquor and other intoxicants. State governments also regulate excise and countervailing duties imposed on alcoholic liquors, grant of liquor licenses and retail supply of alcohol. Any person manufacturing and/or selling alcoholic liquor is required to obtain an appropriate license under the state legislation. Such a license is issued and classified based upon the nature and type of alcoholic liquor. In certain states, there exists a complete ban on the sale, consumption, transportation etc. of liquor, while in most states the sale, consumption, and transportation etc. of liquor is permitted subject to certain conditions.

The Bombay Prohibition Act, 1949

The Bombay Prohibition Act, 1949 applicable in Gujarat read with the Bombay Denatured Spirit (Gujarat Amendment) Rules, 1988, Bombay Prohibition (Manufacture of Spirit) (Gujarat) Rules, 1963, the Mizoram Liquor Total Prohibition Act, 1995, the Nagaland Liquor Total Prohibition Act, 1989, Manipur Liquor Prohibition Act, 1911, prohibit the manufacturing of liquor, construction or employment of any person in any distillery or brewery, importing, exporting, transportation or possession of liquor, and selling or buying of liquor. However, the prohibition does not extend to certain exempted articles including, any medicinal preparation containing alcohol unfit for use as intoxicating liquor, any antiseptic preparation or solution containing alcohol which is unfit for use as intoxicating liquor.

In addition, certain restrictions under the Bombay Prohibition Act, 1949, applicable in Maharashtra, the Tamil Nadu Prohibition Act, 1937 in Tamil Nadu and the Prohibition Act, 1950 in Kerala, the Andhra Pradesh Prohibition Act, 1995, restrict the production, possession and use of liquor (including a highly regulated regime for country liquor) for all purposes other than medicinal, scientific, industrial or similar purposes. These laws prescribe the kinds of potable

alcohol which are exempted from such prohibition and prescribe standards for the manufacture or processing of different forms of potable alcohol, and also prescribe licensing requirements for such manufacture.

Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022

The Government of India, through Notification dated June 9, 2022, bearing number F. No. J-25/4/2020- CCPA (Reg) issued the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“**Guidelines**”). The said Guidelines are issued under section 18 of the Consumer Protection Act, 2019 (35 of 2019), to provide for the prevention of false or misleading advertisements and making endorsements relating thereto. These Guidelines apply to –

- (a) all advertisements regardless of form, format or medium; and
- (b) a manufacturer, service provider or trader whose goods, product or service is the subject of an advertisement, or to an advertising agency or endorser whose service is availed for the advertisement of such goods, product or service.

The Guidelines, *inter alia*, specifically provide for (i) conditions for, non-misleading and valid advertisement, (ii) Conditions for bait advertisements, (iii) prohibition of surrogate advertising, (iv) free claims advertisements and (v) children targeted advertisements.

The Cable Television Networks (Regulation) Act, 1995 (the “Cable Television Regulation Act”)

The Cable Television Regulation Act read with the Cable Television Network Rules, 1994 prescribe an advertising code which provides that advertising in the cable services shall be so designed as to conform to the laws of India and should not offend morality, decency and religious susceptibilities of the subscribers of cable services. In addition, the advertising code prohibits advertisements which indirectly or directly promote production, sale or consumption of cigarettes, tobacco products, wine, alcohol, liquor or other intoxicants (“**prohibited products**”). However, it allows advertising of a product that uses a brand name or logo, which is also used for the prohibited products subject to certain conditions including, that the story board or visual of the advertisement must depict only the product being advertised and not prohibited products in any form or manner, that the advertisement must not make any direct or indirect reference to the prohibited products and that the advertisement must not contain any nuances or phrases promoting the prohibited products. Further, the Cable Television Networks (Amendment) Rules, 2021 prescribe a three-tier grievance redressal structure comprising of i) self-regulation by the broadcasters; ii) regulation by self-regulating bodies of the broadcaster; and iii) an oversight mechanism by the Central Government in relation to violation of the Programme and Advertising Codes prescribed under the Cable Television Network Rules, 1994

The Food Safety and Standards Act, 2006 (“FSS Act”)

The Food Safety Act consolidates laws relating to food and establishes the Food Safety and Standards Authority of India (“**FSSAI**”), lays down science-based standards for food articles and regulates their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI also includes specifications for food activities, flavorings, processing aids and material in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. The Food Safety Act also sets out, among other things, the requirements for licensing and registration of food businesses, general principles of food safety and responsibilities of a food business operator and liability of manufacturers and sellers. The FSS Act also lays out procedure for adjudication by the Food Safety Appellate Tribunal. For enforcement, the ‘commissioner of food safety’, the ‘food safety officer’ and the ‘food analyst’ have been granted with powers of seizure, sampling, taking extracts and analysis under the FSS Act. Penalties can be levied for defaults such as for selling food not of the nature or substance or quality demanded, sub-standard food, misbranded food, misleading advertisement, food containing extraneous matter, for failure to comply with the directions of the food safety officer, for unhygienic or unsanitary processing or manufacturing of food and for possessing adulterant. In addition to the penalties, punishments can be prescribed for selling, storing, distributing or importing unsafe food, for interfering with seized items, for providing false information, for obstructing or impersonating a food safety officer, for carrying out a food business without a license, for committing the same offence a person has been previously convicted of, and for other related offences.

The Food Safety and Standards Rules, 2011 (**the “Food Safety Rules”**), provide, among other things, the qualifications mandatory for the posts of the commissioner of food safety, the food safety officer and the food analyst, their respective duties, and the procedure for taking extracts of documents, sampling and analysis. In order to address certain specific aspects of the Food Safety Act, FSSAI has framed regulations, such as the following:

- (a) Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011
 - (b) Food Safety and Standards (Food Product and Food Additives) Regulations, 2011;
 - (c) Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
 - (d) Food Safety and Standards (Import) Regulations, 2017;
 - (e) Food Safety and Standards (Alcoholic Beverages) Regulations, 2018; and
 - (f) Food Safety and Standards (Labelling and Display) Regulations, 2020
- The Food Safety and Standards (Alcoholic Beverages) Regulations, 2018 is material to our business and operations and has been described below in detail.

Food Safety and Standards (Alcoholic Beverages) Regulations, 2018 (the “Alcoholic Beverages Regulations”)

The Alcoholic Beverages Regulations seeks to establish and enforce, among other things, certain general requirements in relation to the composition of alcoholic beverages and the manufacturing processes involved. The regulations also classify alcoholic beverages into three categories i.e. distilled alcoholic beverages (including brandy, country liquors, gin, rum, vodka, whiskey etc.), wine and beer. In addition to the general labelling provisions specified in the Food Safety and Standard (Packaging and Labelling) Regulations, 2011, the Alcoholic Beverages Regulations also prescribe specific labelling requirements such as the declaration of alcohol content, approximate number of standard drinks, allergen warnings, geographical indicators, if any. Further, inclusion of any nutritional information or health claims on the labels of alcoholic beverages is prohibited. It also mandates printing of the statutory warning – “*Consumption of Alcohol Is Injurious To Health. Be Safe-Don’t Drink And Drive*” in English language and/or the local or regional language of respective states. The size of statutory warning shall not be less than 1.5 mm for pack size of up to 200ml and not less than 3 mm for pack sizes above 200 ml.

In relation to wine, the Food Safety and Standards (Alcoholic Beverages) First Amendment Regulations, 2020 prescribe additional labelling requirements such as, among other things, the declaration of the country of origin, range of sugar, generic name of variety of grape or fruit used, the name of residues of preservatives or additives present as such, or in their modified forms, in the final product. Additionally, the Draft Food Safety and Standards (Alcoholic Beverages) Amendment Regulations, 2021 prescribe that “non-alcoholic counterpart of alcoholic beverage” which is non-alcoholic beverage having alcohol content less than or equal to 0.5% abv, shall meet all the requirements of the respective alcoholic beverage of origin. Further, the alcoholic beverage of the origin must undergo the process of fermentation and the produced alcohol should be removed thereafter.

FSSAI Guidance Note on ‘Food Hygiene and Safety Guidelines for Food Businesses during Coronavirus Disease (COVID-19) Pandemic’ (the “COVID-19 Guidance Note”)

The COVID-19 Guidance Note was issued with an intent to provide guidance to food businesses, including their personnel involved in handling of food and other employees to prevent spread of COVID-19 in the work environment and any incidental contamination of food/food packages. It also provides guidance in relation to operative mechanism such as establishment of an in-house emergency response team in large food businesses to deal with suspected infections effectively. It mandates that employers should have a COVID-19 screening protocol in place to screen all personnel entering the premise. Employees and food handlers should be encouraged to self-declare any symptoms of any respiratory illness before visiting the premises. Food sectors involved in food services, takeaways and deliveries shall ensure, among others, that the food service area shall be thoroughly cleaned and disinfected after every meal, hand wash facilities should be made available to the workers, employees wear a clean uniform, mask/face cover, gloves and head covers at all time, adoption of contactless delivery. The COVID-19 Guidance Note prescribes guidelines for management of the food establishment to handle a COVID-19 suspect/positive case in accordance with the guidelines issued by Ministry of Health and Family Welfare and clean and disinfect the premises accessed by the suspected case.

The COVID-19 Guidance Note mandates strict adherence to General Hygiene Practices specified under Schedule 4 of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 (the “**Schedule 4**”). Schedule 4 enumerates multiple compulsory measures to be adopted by FBOs in the interest of human nutrition, safety, and hygiene. Schedule 4 mandates that the premises shall be clean, adequately lighted, and ventilated, and sufficient free space for movement shall be made available. In relation to personal hygiene – all employees should wash their hands properly and they should be made aware of measures to avoid cross-contamination.

Legal Metrology Act, 2009 (the “Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology Act seeks to establish and enforce standard weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number and for matters connected therewith or incidental thereto. The Legal Metrology Act and rules framed thereunder regulate inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the Legal Metrology Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state government under the Legal Metrology Act. Any non-compliance or violation under the Legal Metrology Act may result in inter alia a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provide for registration of manufacturers and packers. Further, the Legal Metrology (Packaged Commodities) Amendment Rules, 2017 lay down specific provisions for e-commerce transactions and online sale of packaged commodities. Additionally, the Legal Metrology (Packaged Commodities) Amendment Rules, 2021, which will be effective from April 1, 2022, and Legal Metrology (Packaged Commodities) Amendment Rules, 2022, which will be effective from October 1, 2022, as amended, prescribe mandatory declaration of maximum retail price (MRP) and unit sale price in Indian currency and the month and year of manufacture for pre-packed commodities.

Bureau of Indian Standards Act, 2016 (“BIS Act”)

The BIS Act, which was notified on March 22, 2016, has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act provides for establishment of Bureau of Indian Standards to take all necessary steps for promotion, monitoring and management of the quality of goods, articles, processes, systems and services, as may be necessary, to protect the interests of consumers and various other stake holders. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. Further, the BIS Act also provides for, among other things, repairing or replacement or reprocessing of standard marked goods or services sold by a certified body but not conforming to the relevant Indian Standard.

Bureau of Indian Standards Rules, 2018 (“BIS Rules”)

Further, the Ministry of Finance (Department of Revenue), , has notified the BIS Rules on June 25, 2018. The BIS Rules have been notified in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. According to the BIS Rules, the Bureau shall establish Indian Standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian Standards so established as may be necessary.

The Indian Boilers Act, 1923 (“Boilers Act”) and the Indian Boiler Regulations, 1950 (“Boiler Regulations”)

The Boilers Act seeks to regulate inter alia the manufacture, possession and use of boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government. The Boiler Regulations have been framed under the Boilers

Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

The Static and Mobile Pressure Vessels (Unfired) Rules 2016 (“SMPV Rules”)

The SMPV Rules regulate the manufacture, filling, delivery, import, modification and repair of pressure vessels. Under the SMPV Rules, licenses are required to be obtained for storage and transportation of compressed gas. The SMPV Rules also prescribe conditions under which the licenses can be amended, renewed, suspended or cancelled.

The Electricity Act, 2003 (“Electricity Act”)

The Electricity Act is the central legislation which covers, among others, generation, transmission, distribution, trading and use of electricity. Under the Electricity Act, the transmission, distribution and trade of electricity are regulated activities that require licenses from the Central Electricity Regulatory Commission (“CERC”), the State Electricity Regulatory Commissions (“SERCs”) or a joint commission (constituted by an agreement entered into by two or more state governments or the central government in relation to one or more state governments, as the case may be).

The generating company is required to establish, operate and maintain generating stations, tie-lines, sub-stations and dedicated transmission lines. Further, the generating company may supply electricity to any licensee or even directly to consumers and have a right to open access, for the purpose of carrying electricity subject to availability of adequate transmission and distribution systems and payment of transmission charges, including wheeling charges and open access charges, as may be determined by the appropriate electricity regulatory commission. In terms of the Electricity Act, ‘open’ access means the non-discriminatory provision for the use of transmission lines or distribution system or associated facilities with such lines or system, by any licensee or consumer or a person engaged in generation in accordance with the regulations specified by the appropriate electricity regulatory commission.

Under the Electricity Act, the appropriate commission shall specify the terms and conditions for the determination of tariff. Pursuant to the powers granted under the Electricity Act, various regulations and guidelines have been framed by the CERC and SERCs for determination of tariff for thermal producers and generation, distribution, transmission, allowing open access, among others.

The National Electricity Policy

The GoI approved the National Electricity Policy on February 12, 2005, in accordance with the provisions of the Electricity Act. The National Electricity Policy lays down the guidelines for development of the power sector and aims to accelerate the development of power sector by providing supply of electricity to all areas and protecting interests of consumers and other stakeholders. The National Electricity Policy recognises coal as the primary fuel for generation of electricity and provides for certain measures such as long-term fuel supply agreements, especially with respect to imported fuel, to give boost to companies generating electricity through coal or other sources of fuel.

National Tariff Policy

The GoI notified the revised National Tariff Policy effective from January 28, 2016. Among others, the National Tariff Policy seeks to ensure availability of electricity to different categories of consumers at reasonable and competitive rates, ensure financial viability of the sector and attract adequate investments and ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.

The Consumer Protection Act, 2019 (the “Consumer Protection Act”)

The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides

for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The CP Act has, inter alia, introduced a Central Consumer Protection Council to promote, protect and enforce the rights of consumers and to provide relief to a class of consumers.

Laws relating to Environment

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes given below is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the National PCBs or State PCBs, which are indicative of the fact that the industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be kept renewed.

The Environment (Protection) Act, 1986 (“EP Act”), the Environment (Protection) Rules, 1986 and Environmental Impact Assessment Notification, 2006 (“EIA Notification”)

The EP Act has been enacted for the protection and improvement of the environment and empowers the government to take measures in this regard. The rules made under the EP Act specify, among other things, the standards for emission or discharge of environmental pollutants, and restrictions on the handling of hazardous chemicals. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources. The Ministry of Environment, Forest and Climate Change (“MoEF” & “CC”) published the draft Environment Impact Assessment (EIA) Notification 2020 (“the notification”), with the intention of replacing the existing EIA Notification under the EP Act. The notification outlines the procedure and requirements for most industrial and infrastructural projects to obtain a prior environmental clearance. The notification has classified different projects into categories A, B1 and B2 and has provided exemption from public scrutiny to some of these projects. The notification has also proposed the submission of compliance reports annually as opposed to the previous 2006 notification wherein reports were submitted every six months. Moreover, the notification has also specified that a project already operating without environmental clearances would have the opportunity to apply for clearance. It has also been proposed that once a project gets cleared of all the compliances, it would still have to adhere to certain rules laid down in the EIA report in order to ensure that no further environmental damages take place.

The Bio-Medical Waste Management Rules, 2016 (“BMW Rules”)

The BMW Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose or handle bio-medical waste in any form including hospitals, nursing homes and clinics. We are required to obtain an authorization under the BMW Rules for the generation of bio-medical waste to ensure that such waste is handled without any adverse effect to human health and the environment and to set up bio-medical waste treatment facilities as prescribed under the BMW Rules, including pre-treating laboratory and microbiological waste, and providing training to health care workers and others involved in handling bio-medical waste. We are also required to submit an annual report to the prescribed authority and also to maintain records related to the generation, collection, storage, transportation, treatment, disposal, and/ or any form of handling of biomedical waste in accordance with the BMW Rules and the guidelines issued thereunder. The prescribed authority may cancel, suspend or refuse to renew an authorization, if for reasons to be recorded in writing, the occupier/operator has failed to comply with any of the provisions of EP Act or BMW Rules.

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”) and the Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Water Act was enacted to control and prevent water pollution and for maintaining or restoring the purity of water in India. The objective of this legislation is to ensure that domestic and industrial pollutants are not discharged into streams and wells without adequate treatment. We are required to obtain consents to operate under the Air Act and the Water Act.

The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)

The Hazardous Waste Rules ensure management of hazardous waste in an environmentally sound manner, in a manner which shall protect health and the environment against the adverse effects of such waste. A list of hazardous wastes and processes that generate hazardous waste have been specified under the Hazardous Waste Rules. We are required to obtain authorizations for, *inter alia*, the generation, processing, treatment, package, storage, transportation, use, collection, destruction or transfer of the hazardous waste from the concerned state pollution control board.

Public Liability Insurance Act, 1991 (“Public Liability Act”)

The Public Liability Act, as amended, imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such substances. A list of ‘hazardous substances’ covered by the legislation has been enumerated by the Government by way of a notification under the EPA. The owner or handler is also required to take out an insurance policy that insures against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the Environment Relief Fund a sum equal to the premium payable to the insurer on the policies taken out.

Labour law legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative discussion of labour laws which may be applicable to our Company due to the nature of its business activities:

The Factories Act, 1948 (“Factories Act”)

The term ‘factory’, as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the “occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (the “EPF Act”)

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. In accordance with the provisions of the EPF Act, the employers are required to contribute to the Employees’ Provident Fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employees shall also be required to make an equal

contribution to the fund. The Central Government under Section 5 of the EPF Act framed the Employees Provident Scheme, 1952.

Employees' State Insurance Act, 1948 (the "ESI Act")

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury and includes provisions for certain other matters in relation thereto. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided thereunder. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and links the calculation for the payment of bonus payable with production and productivity.

Payment of Gratuity Act, 1972 (the "Gratuity Act")

The Gratuity Act applies, *inter alia* to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months. The Gratuity Act may also apply in case of such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government may notify. A shop or establishment to which the Gratuity Act becomes applicable shall be continued to be governed by it irrespective of the number of persons employed in such shop or establishment falling below ten at any time thereafter. The Gratuity Act provides for gratuity to be payable to an employee on termination of his/her employment after he/she has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

The provisions of the Gratuity Act are applicable in consonance with the Payment of Bonus (Amendment) Act, 2015, which increased the wage threshold for determining applicability of the Act from ₹10,000 to ₹21,000 per month. Additionally, the wage ceiling for calculation of bonus was increased from ₹3,500 to ₹7,000 per month.

Maternity Benefit Act, 1961 (the "Maternity Act")

The Maternity Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Maternity Act is applicable to every establishment *inter alia* to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the State Government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of the Maternity Act to any specific establishments or class of establishments, industrial, commercial, agricultural or otherwise.

The Maternity Benefit (Amendment) Act, 2017 amended the Maternity Act to provide for increase of paid maternity leave from 12 to 26 weeks, unless the mother has two or more surviving children and introduced a mandatory provision for creche facilities for employers with more than 50 employees.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "Prevention of Sexual Harassment Act") and rules thereunder

In order to curb the rise in sexual harassment of women at workplace, the Prevention of Sexual Harassment Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms "sexual harassment" and "workplace" are both defined in the Prevention of Sexual Harassment Act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company

shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of females at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, providing necessary facilities to the internal or local committee for dealing with the complaint, and any other procedural requirements to assess the complaints. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 framed under the Prevention of Sexual Harassment Act provides for *inter alia* manner of submission of complaints in relation to sexual harassment, procedure for dealing with the complaints and details to be reflected in the annual report to be prepared by the complaints committee as required under the provisions of the Prevention of Sexual Harassment Act.

Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”)

The CLRA is applicable to every establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, and to every contractor who employees or who employed on any day of the preceding twelve months twenty or more workmen. Under the CLRA, a ‘principal employer’ is defined to include (in the case of establishments other than factories, mines, or Government offices/ departments) as any person responsible for the supervision and control of the establishment. The CLRA provides for, *inter alia* registration of establishments employing contract labour, licensing of contractors as well as circumstances in which such licenses can be revoked, as well as provisions in relation to welfare and health of contract labour. Under the CLRA, if any amenity is not provided by the relevant contractor to the contract labour in accordance with the provisions of the Act, such amenity is required to be provided by the principal employer. The Central Government or the relevant State Government is empowered to frame rules for carrying out the various provisions of the CLRA.

In addition to the aforementioned, the following labour codes have received the assent of the President of India, and will come into force as and when notified in the Gazette, pursuant to which the abovementioned Labour Legislations will be subsumed by the following labour codes:

The Code on Wages, 2019 (the “Wage Code”)

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Ministry of Labour and Employment vide notification dated December 18, 2020 notified certain provisions of the Wage Code. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The code proposes to provide for *inter alia* standards for health, safety and working conditions for employees of the establishments. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Industrial Relations Code, 2020

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020 (“Social Security Code”)

The Social Security Code received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The new code proposes to set up a National Social Security Board and State Unorganized Workers Board to administer schemes for unorganized workers. The Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employee-employee work-arrangements (including in online and digital platforms such as ours), such as 'gig workers' and 'platform workers' and provides for the mandatory registration of such workers in order to enable these workers to avail benefits of, among others, life and disability cover, health and maternity benefits, old age protection, under schemes framed under the Social Security Code from time to time. Further, the Social Security Code provides that such schemes may *inter alia*, be partly funded by contributions from platforms such as ours. The provisions of this code will be brought into force on a date to be notified by the Central Government.

Other Labour law legislations:

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- 1) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- 2) Employees' State Insurance Act, 1948;
- 3) Minimum Wages Act, 1948;
- 4) Payment of Bonus Act, 1965;
- 5) Payment of Gratuity Act, 1972;
- 6) Payment of Wages Act, 1936;
- 7) Maternity Benefit Act, 1961;
- 8) Industrial Disputes Act, 1947;
- 9) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- 10) The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- 11) The Industries (Development and Regulation) Act, 1951;
- 12) Employees' Compensation Act, 1923;
- 13) The Industrial Employment Standing Orders Act, 1946;
- 14) The Child Labour (Prohibition and Regulation) Act, 1986;
- 15) The Equal Remuneration Act, 1976;
- 16) The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001;
- 17) Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
- 18) The Code on Wages, 2019*;
- 19) The Industrial Relations Code, 2020**; and
- 20) The Code on Social Security, 2020***

**The Government of India enacted 'The Code on Wages, 2019' which received the assent of the President of India on 8 August 2019. Certain provisions of this code pertaining to central advisory board have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and other provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.*

***The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on 28 September 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

****The Government of India enacted 'The Code on Social Security, 2020 which received the assent of the President of India on 28 September 2020. Section 142 of the Code on Social Security, 2020 has been brought into force from May 3, 2021 by the Ministry of Labour and Employment through a notification dated April 30, 2021 and other provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.*

Shops and establishments legislations

Under the provisions of local shops and establishments legislations applicable in the states in which establishments are set up, establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. All industries have to be registered under the shops and establishments legislations of the state where they are located. There are penalties prescribed in the form of monetary fine or imprisonment for violation of the legislations.

Intellectual Property Laws

Intellectual property in India enjoys protection under both common law and statutes. Under statutes, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. These enactments provide for the protection of intellectual property by imposing civil and criminal liability for infringement. In addition to the domestic laws, India is party to several international intellectual property related instruments including the Patent Cooperation Treaty, 1970, the Paris Convention for the Protection of Industrial Property, 1883, the Berne Convention for the Protection of Literary and Artistic Works, 1886, the Universal Copyright Convention adopted at Geneva in 1952, the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, 1961, and as a member of the World Trade Organisation, India also is a signatory to the Agreement on Trade Related aspects of Intellectual Property Rights (“TRIPS”).

Copyright Act, 1957 and the rules thereunder

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “**Copyright Laws**”) serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography, and sound recordings. The Copyright Laws prescribe fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Upon registration, the copyright protection for a work exists for a period of 60 years following the demise of the author. Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without consent of the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The Patents Act, 1970 (the “Patents Act”)

The Patents Act governs the patent regime in India. Being a signatory to the TRIPS, India is required to recognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria.

Section 39 of the Patents Act also prohibits any person resident in India from applying for a patent for an invention outside India without making an application for a patent for the same invention in India. The term of a patent granted under the Patents Act pursuant to Section 53 is for a period of twenty years from the date of filing of the application for the patent. A patent shall cease to have effect if the renewal fee is not paid within the period prescribed for the payment of such renewal fee. Further, the Patents Act also provides for the recognition of product patents in respect of food, medicine and drugs; that import of patented products will not be considered as an infringement; and that under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

The Trademarks Act, 1999 (“Trademarks Act”)

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also governs the statutory protection of trademarks and also prohibits any registration of deceptively similar trademarks or chemical compounds, among others. Indian law permits the registration of trademarks for both goods and services. It also provides for infringement, falsifying and falsely applying for trademarks. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

Design Act, 2000

It is an Act to consolidate and amend the law relating to the protection of designs which came into force on May 11, 2001. Design Act is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which cause loss to the proprietor. The proprietor upon registration gets ‘copyrights in design’ for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design.

Laws governing foreign investments

Foreign investment in India is governed by the provisions of The Foreign Exchange Management Act, 1999 (“FEMA”), the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA NDI Rules”) along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India.

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

The consolidated Foreign Direct Investment Policy of 2020 (the “Consolidated FDI Policy”)

Foreign investment in India is governed by the provisions of FEMA Rules along with the FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulate the mode of payment and reporting requirements for investments in India by a person resident outside India. Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in the manufacturing sector, under the automatic route, subject to compliance with certain prescribed conditions. In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

Overseas Direct Investment (“ODI”)

In terms of the Master Direction No. 15/2015-16 on “Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad” issued by the RBI, dated January 1, 2016, an Indian entity is permitted to make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth. ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

Laws relating to taxation

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

1. Income Tax Act 1961, the Income Tax Rules, 1962, as amended by the Finance Act in respective years;
2. Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various state-specific legislations made thereunder;
3. The Integrated Goods and Service Tax Act, 2017;
4. State-specific legislations in relation to professional tax;
5. State-specific value added tax and sales tax act, and the central sales tax act, including the rules framed thereunder; and
6. Indian Stamp Act, 1899 and various state-specific legislations made thereunder.

In addition to the above, our Company is required to comply with the provisions of the Indian Contract Act, 1872, Companies Act, 2013, Transfer of Property Act, 1882, Central Excise Act, 1944, Indian Stamp Act, 1899, Foreign Exchange Management Act, 1999, Prevention of Corruption Act, 1988, to the extent applicable, Customs Act, 1962, Customs Tariff Act, 1975, Insolvency and Bankruptcy Code, 2016, and other applicable laws and regulations imposed by the central and state governments and other authorities for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated as ‘You and Me Properties Private Limited’, pursuant to a certificate of incorporation dated October 8, 2008, issued by the RoC. The name of our Company was changed to ‘Moonlight Blenders and Distillers Private Limited’, and a fresh certificate of incorporation dated July 22, 2009 was issued by the RoC. Pursuant to a scheme of amalgamation between Allied Blenders and Distillers Private Limited, Our Own Properties Private Limited and our Company, dated April 1, 2009, and an order of the Bombay High Court dated February 5, 2010, the entire business undertakings of Allied Blenders and Distillers Private Limited and Our Own Properties Private Limited were transferred to our Company. Consequently, the name of our Company was changed to ‘Allied Blenders and Distillers Private Limited’, and a fresh certificate of incorporation dated April 30, 2010, was issued by the RoC. Subsequently, pursuant to a resolution of our Board dated June 2, 2022 and a resolution of our Shareholders dated June 4, 2022, our Company was converted from a private company to a public company and consequently, our name was changed from ‘Allied Blenders and Distillers Private Limited’ to ‘Allied Blenders and Distillers Limited’, and a fresh certificate of incorporation under the Companies Act, 2013 was issued upon a change in name by the RoC on June 8, 2022.

The Registered Office of our Company is at 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, Maharashtra, India.

Changes in our Registered Office

Effective date of change	Details of Change	Reason(s) for change
June 22, 2009	The registered office of our Company was changed from Office No.1 & 2, 1 st Floor, Fine Mansion, 203, D.N. Road, Opposite Suvidha Restaurant, Fort, Mumbai 400 001, Maharashtra, India to 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, Maharashtra, India.	Administrative convenience

Main objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

3(A)(1) To process, manufacture, distill, prepare, refine, blend, store, mature, produce, import, export and generally to deal in wines, spirits, liquors, country liquors, whisky, gin, rum, brandy, spirits, liquors, beer, aerated, mineral and medicated waters and to carry on the business of marketing of liquor and other allied products in any part of India and abroad and all types of selling and purchasing activities directly (both in internal and external markets on its own or as sales, purchase or commission agents and brokers) for liquor and other allied products.

The main objects, as contained in our MoA, enable our Company to carry on the businesses presently being carried out.

Amendments to our Memorandum of Association in the last ten years

The following changes have been made to our Memorandum of Association in the last ten years:

Date of Shareholders’ resolution/ effective date	Particulars
November 30, 2015	Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company. The authorized share capital of the Company was increased from ₹451,100,000 divided into 10,110,000 equity shares of ₹10 each and 35,000,000 OCCRPS to ₹500,000,000 divided into 15,000,000 equity shares of ₹10 each and 35,000,000 OCCRPS.
January 21, 2016	Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company. The authorized share capital of the Company was increased from ₹500,000,000 divided

Date of Shareholders' resolution/ effective date	Particulars
	into 15,000,000 Equity Shares of ₹10 each to ₹550,000,000 and 35,000,000 OCCRPS divided into 20,000,000 Equity Shares of ₹10 each and 35,000,000 OCCRPS.
May 17, 2017	Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company. The authorized share capital of our Company was increased from ₹550,000,000 divided into 20,000,000 equity shares of ₹10 each and 35,000,000 OCCRPS to ₹556,000,000 divided into 20,600,000 equity shares of ₹10 each and 35,000,000 OCCRPS.
September 29, 2017	Clause V of the MoA was amended to reflect the reclassification of authorised share capital upon conversion of 35,000,000 OCCRPS into fully paid up 35,000,000 Equity Shares ₹10 each.
July 28, 2018	Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company. The authorised share capital of our Company was increased from ₹556,000,000 divided into 20,600,000 equity shares of ₹10 each to ₹564,300,000 divided into 56,430,000 equity shares of ₹10 each.
September 29, 2018	Clause V of the MoA was amended to reflect sub-division of the face value of the equity shares of our Company. The face value of the equity shares was reduced from ₹ 10 per equity shares to ₹ 2 per Equity Share. Accordingly, 56,430,000 equity shares of face value of ₹ 10 per equity shares were sub-divided into 282,150,000 Equity Shares of face value of ₹ 2 per Equity Share.
July 2, 2019	Clause V of the MoA was amended to reflect the reclassification of authorised share capital of Company. The authorized share capital of the Company has been increased and reclassified from ₹564,300,000 divided into 282,150,000 Equity Shares of ₹ 2 each to ₹564,300,000 divided into 247,150,000 Equity Shares of ₹ 2 each and 7,000,000 NCCPS.
August 24, 2020	Clause V of the MoA was amended to reflect the increase of authorised share capital of Company The authorized share capital of the Company has been increased and reclassified from ₹564,300,000 divided into 247,150,000 Equity Shares of ₹ 2 each and 7,000,000 NCCPS to ₹724,300,000 divided into 327,150,000 Equity Shares of ₹ 2 each and 7,000,000 NCCPS.
July 7, 2021	Clause V of the MoA was amended to reflect the cancellation and combination of the 7,000,000 NCCPS, and the authorised share capital of the Company reclassified as ₹724,300,000 divided into 327,150,000 Equity Shares of ₹ 2 each.
June 4, 2022	Clause I of the MoA was amended to reflect the change in name of our Company from 'Allied Blenders and Distillers Private Limited' to 'Allied Blenders and Distillers Limited' pursuant to the conversion of our Company from a private limited company to a public limited company.

Major events and milestones

The table below sets forth some of the major events and milestones in our history:

Calendar year	Major events and milestones
1988	Launch of Officer's Choice Whisky
2008	Incorporation of our Company as 'You and Me Properties Private Limited.'
2009	The name of our Company was changed to 'Moonlight Blenders and Distillers Private Limited'
2010	The name 'Moonlight Blenders and Distillers Private Limited' was changed to Allied Blenders and Distillers Private Limited
2010	Launched the brand 'Jolly Roger'
2011	Launched the brand 'Officer's Choice Blue.'
2012	Launched 'Kyron' in the premium brandy segment
2015	Wales Distillers Private Limited, our erstwhile wholly-owned subsidiary, was amalgamated into our Company.
2017	Launched 'Sterling Reserve Blend 7' and 'Sterling Reserve Blend 10' in the premium blended whisky segments.
2017	Unokoti Bottling and Beverages Private Limited, our erstwhile wholly-owned subsidiary, was amalgamated into our Company.
2017	Demerged the bottling and distillery business undertaking from Tracstar Investment Private Limited, our group company, into our Company.
2018	Erstwhile BKCEPL, was amalgamated into our Company.
2018	Sterling Reserve crossed the 1.2 million cases, according to the Millionaire's Club Report by Drinks International making it a millionaire brand in the first year of launch.
2019	Officer's Choice franchise crossed the 34 million sales mark making it the world's largest selling whisky for 6 years in a row as per Millionaire's Club Reports by Drinks International.

Calendar year	Major events and milestones
2020	Sterling Reserve Blend 7 became the 3 rd largest selling brand in the semi-premium whisky segment, as per the Technopak Report.
2020	Henkell & Company India Private Limited, our erstwhile wholly-owned subsidiary, was amalgamated into our Company.
2020	Sterling Reserve was ranked as the fastest growing spirits brand by the Millionaire's Club Report 2020 by Drinks International.

Key awards, accreditations or recognitions

The table below sets forth some of the awards, accreditations or recognitions received by us:

Calendar Year	Particulars
2019	Our brand, Sterling Reserve was awarded a Gold in the Social Media – Alcoholic drinks category for Sterling Reserve project at the Afaqs Great Lifestyle Brands Awards.
2019	Our brand, Sterling Reserve Premium Whiskies was recognised as the World's Fastest Growing Spirits Brand by, Drinks International.
2020	Our marketing effort, Sterling Reserve Music Project was awarded a Silver YouTube Creator Award.
2020	Our brand, Sterling Reserve Premium Whiskies was recognised as Brand Champion - Indian Whisky by celebrated international industry publication The Spirits Business
2020	Our brand, Sterling Reserve Premium Whiskies was awarded the Best New Marketing Campaign Award at The Spirits Business Awards.
2020	Our brand, Officer's Choice Blue was awarded Gold in the Promotion & Activation of the Year-Digital category for the IPL Digital Dugout at Spiritz Achievers' Awards.
2020	Our brand, Sterling Reserve Premium Whiskies was awarded Silver in the Promotion & Activation of the Year- Digital category for the Sterling Reserve Comedy Project, by Spiritz Achievers' Awards.
2021	Our brand, Sterling Reserve Blend 10 was rated as a 'Remarkable Product' at the Superior Taste Award by International Taste Institute, Brussels.
2021	Our brands, Sterling Reserve Blend 7, Kyron Premium Brandy and Officer's Choice Blue were rated as 'Notable Product' at the Superior Taste Award by International Taste Institute, Brussels.
2021	Our brand, Sterling Reserve Premium Whiskies was awarded Gold in the Best Content Marketing category, for Sterling Reserve Projects, at the Adgully Digixx Awards.
2021	Our brand, Officer's Choice Blue was awarded a Silver in the Best Use of Facebook category by Afaqs Marketers Excellence Awards.
2021	Our brand, Sterling Reserve Premium Whiskies was recognised as Brand Champion - Indian Whisky by The Spirits Business.
2021	Our brands, Officer's Choice Blue and Sterling Reserve Blend 10 were awarded Spirit Bronze Medal at the International Wine & Spirits Competition.
2021	Our brand, Sterling Reserve Blend 7 was awarded Gold in the Best Integrated Campaign (Product/Service) category at the e4m Indian Digital Marketing Awards.
2021	Our brand, Sterling Reserve Blend 7 was awarded Runner-Up in the Best New Marketing Campaign category, for the Sterling Reserve Blend 7 Gaming Pack, at The Spirits Business Awards.
2021	Our brand, Sterling Reserve Blend 7 was awarded Runner-Up in the Best Packaging Innovation category, for the Sterling Reserve Gaming Pack, at The Spirits Business Awards.
2021	Our brand, Sterling Reserve Blend 10, was awarded a Gold at the Design and Packaging Masters for its limited edition pack – The Earth Edition.
2021	Our brand, Sterling Reserve Blend 7, was awarded a Gold at the Design and Packaging Masters for its limited edition pack – The Gaming Pack.
2021	Our brand, Officer's Choice Blue, was awarded a Silver at the Design and Packaging Masters for its packaging redesign.
2021	Our brand, Sterling Reserve Blend 7 was awarded a Silver in the Promotion & Activation of the Year – Online category, for the Sterling Reserve Blend 7 Gaming Pack, at the Spiritz Achiever's Awards.
2021	Our brand, Sterling Reserve Blend 7 was awarded a Gold in the Best Online Integrated Campaign category for Sterling Reserve Blend 7 Gaming Pack, at the Afaqs Digies Awards.
2022	Our brand, Sterling Reserve Premium Whiskies was awarded a Gold for its marketing campaigns in the Food & Beverages category at the DMAasia CREATEFFECT ECHO Awards.
2022	Our Company, was awarded the "Distiller of the Year" award at the Whisky Magazine Icons of Whisky India, 2022.
2022	Our products, Kyron Premium Brandy, Sterling Reserve B7 Rare Blended Whisky, Sterling Reserve B10 Premium Blended Whisky, were awarded the Gold Quality Award at the Monde Selection

Calendar Year	Particulars
	Brussels 2022.
2022	Our brands, Kyron Premium Brandy, Officer's Choice Whisky, Officer's Choice Blue, Sterling Reserve Blend 7, and Sterling Reserve Blend 10 were awarded the “Gold” medal in the liquid tasting category at the Spiritz Selections
2022	Our brands, Kyron Premium Brandy, Officer's Choice Blue, Sterling Reserve Blend 7, and Sterling Reserve Blend 10 were each awarded the “Gold” medal, and Officer's Choice Whisky was awarded the “Silver” medal, in the packaging category at the Spiritz Selections.
2022	Our brand, Sterling Reserve Blend 7 was awarded a Gold in the Alcoholic Drinks category for Sterling Reserve Blend 7 Gaming Pack, at the Campaign India Media 360 Awards 2022.
2022	Our brand, Sterling Reserve, was recognised as Brand Champion – Indian Whisky by The Spirits Business
2022	Our Company, was recognised amongst the “Top Most Green Companies” at the Golden Globe Tigers Awards

Our holding company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Our subsidiaries, joint ventures and associates

As on the date of this Draft Red Herring Prospectus, our Company has six wholly-owned subsidiaries. For details with respect to our Subsidiaries, see “*Our Subsidiaries*” on page 226. Except as disclosed below, our Company does not have any joint ventures or associates as on the date of this Draft Red Herring Prospectus:

Pursuant to the ABD LLP MoU disclosed under “*Other Agreements -Memorandum of Understanding dated April 12, 2022 amongst Rajesh Ankushrao Tope, OSCORP Trade Services Private Limited and our Company (“ABD LLP MoU”)*” on page 225, Allied Blenders and Distillers Maharashtra LLP (“**ABD LLP**”), was incorporated on June 15, 2022 under the Limited Liabilities Partnership Act, 2008, as a joint venture between Rajesh Ankushrao Tope (“**Rajesh**”), OSCORP Trade Services Private Limited (“**OSCORP**”) and our Company. While the ABD LLP has been formed in order to set up and manage a distillery, it is currently not engaged in any business activity as on the date of this Draft Red Herring Prospectus. The registered office of ABD LLP is 394-C, Lamington Chambers, Lamington Road, Mumbai 400 004, Maharashtra, India. The designated partners of ABD LLP MoU are Shekhar Ramamurthy, Ramakrishnan Ramaswamy, Rajesh, Ankushrao Tope, Arun Barik (as a nominee of our Company) and Suraj Manohar Samat (as a nominee of OSCORP). Further, while the LLP currently does not have any capital, for details of the obligations towards capital contribution, see “*Other Agreements -Memorandum of Understanding dated April 12, 2022 amongst Rajesh Ankushrao Tope, OSCORP Trade Services Private Limited and our Company (“ABD LLP MoU”)*” on page 225.

Time and cost overrun in setting up projects by our Company

As on the date of this Draft Red Herring Prospectus, our Company has not experienced any time or cost overruns in setting up any projects.

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. Further, the tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured.

However, our Company has availed a moratorium during COVID-19. For details, see “*Risk Factors – Internal Risks – 6. The current and continuing impact of the COVID-19 pandemic on our business and operations, including its impact on the ability or desire of consumers to purchase our products, may have an adverse effect on our business, results of operations, financial condition and cash flows.*” on page 38.

For Fiscals 2020 and 2021 our Company was in breach of certain covenants specified in its financing documents with

Axis Bank Limited, IDFC First Bank and Yes Bank Limited, amongst which Axis Bank Limited, Yes Bank Limited and IDFC First Bank have waived / condoned the non-compliance. Further, there was an overdue on repayment of certain facilities from Yes Bank Limited, however, as per the letter dated May 26, 2022 from Yes Bank Limited, the amount overdue has been paid and that the rectification has been accepted, making the account standard. For details on defaults by our Company, see “*Risk Factors – Internal Risks – 16. We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition. In addition, certain of our financing agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.*” on page 44.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets in the last ten years.

Except as disclosed below, our Company has not acquired any material business or undertaken any mergers or amalgamations or divestments of business or undertaking in the last ten years.

Amalgamation of Wales Distillers Private Limited (“WDPL”) with our Company (“WDPL Amalgamation”)

The High Court of Bombay, pursuant to an order dated December 5, 2015, under sections 230 and 232 of the Companies Act, 2013, sanctioned the amalgamation of WDPL, our erstwhile wholly-owned subsidiary, into our Company. Pursuant to the WDPL Amalgamation the businesses and authorised, issued and paid-up share capitals of WDPL and our Company were consolidated in our Company. Consequently, with effect from January 21, 2016 the authorised share capital of our Company was increased by the authorised share capital of WDPL aggregating to ₹550,000,000 divided into 20,000,000 Equity Shares of ₹10 each and 35,000,000 OCCRPS.

Amalgamation of Unokoti Bottling and Beverage Private Limited (“UBBPL”) with our Company (“UBBPL Amalgamation”)

The National Company Law Tribunal, Mumbai Bench, pursuant to an order dated April 5, 2017, under sections 230 and 232 of the Companies Act, 2013, sanctioned the amalgamation of UBBPL, our erstwhile wholly-owned subsidiary, with our Company. Pursuant to the UBBPL Amalgamation the businesses and authorised, issued and paid-up share capital of UBBPL and our Company were consolidated in our Company. Consequently, with effect from May 17, 2017, the authorized share capital of our Company was increased to ₹556,000,000 divided into 20,600,000 Equity Shares of ₹10 each and 35,000,000 OCCRPS.

Demerger of the bottling and distillery business undertaking from Tracstar Investments Private Limited (TIPL) into our Company (“TIPL Demerger”)

The National Company Law Tribunal, Mumbai Bench, pursuant to an order dated April 6, 2017, under sections 230 and 232 of the Companies Act, 2013, sanctioned the demerger of the bottle trading, and bottling and distilleries undertaking of TIPL, one of our group companies, to our Company. Consequently, on June 27, 2017, the effective date, our Company allotted 333,333 Equity Shares of ₹10 each, in the exchange ratio of 20 fully paid up Equity Shares of ₹10 each of our Company for every 3 fully paid up equity shares held in TIPL, to the shareholders of TIPL, namely Erstwhile BKCEPL, and Oriental Radios Private Limited.

Amalgamation of Erstwhile BKCEPL with our Company (“Erstwhile BKCEPL Amalgamation”)

The National Company Law Tribunal, Mumbai Bench, pursuant to an order dated May 16, 2018, under sections 230 and 232 of the Companies Act, 2013, sanctioned the merger of our then holding company, Erstwhile BKCEPL into our Company. Consequently, as on the effective date, i.e., July 28, 2018, our Company issued and allotted 46,510,231 Equity Shares of ₹10 each of our Company to the shareholders of the Erstwhile BKCEPL, namely, Bina Kishore, Resham Chhabria Jeetendra Hemdev, Neesha Kishore Chhabria, and Bina Chhabria Enterprises Private Limited, in proportion of the number of equity shares held by them in Erstwhile BKCEPL. To give effect to the Erstwhile BKCEPL Amalgamation, our authorised share capital was increased to ₹564,300,000 divided into 56,430,000 Equity Shares of ₹10 each.

Amalgamation of Henkell & Company India Private Limited (“HCIPL”) with our Company (“HCIPL

Amalgamation”)

The National Company Law Tribunal, Mumbai Bench, pursuant to an order dated July 27, 2020, under sections 230 and 232 of the Companies Act, 2013, sanctioned the merger of HCIPL, our erstwhile wholly-owned subsidiary, with our Company. Pursuant to the HCIPL Amalgamation, the businesses and authorised, issued and paid-up share capitals of HCIPL and our Company were consolidated in our Company. Consequently, with effect from August 24, 2020 the authorized share capital of our Company was increased to ₹724,300,000 divided into 327,150,000 Equity Shares of ₹ 2 each and 7,000,000 NCCPS.

Revaluation of assets

Our Company has not undertaken any revaluation of assets in the last ten years.

Financial and/or strategic partners

Our Company does not have any financial and / or strategic partners as of the date of this Draft Red Herring Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets, capacity/ facility creation and location of plants

For the details of key services launched by our Company, entry into new geographies or exit from existing markets, capacity or facility creation, and location of our facilities, to the extent applicable, see “*Our Business*” and “– *Major events and milestones*” on pages 178 and 220, respectively. Also see “*Risk Factors – Internal Risk Factors – 43. We may undertake acquisitions, investments, joint ventures or other strategic alliances, which may have a material adverse effect on our ability to manage our business, and such undertakings may be unsuccessful.*” on page 58.

Details of shareholders’ agreements

Our Company does not have any other subsisting shareholders’ agreements among our Shareholders *vis-a-vis* our Company.

As on the date of this Draft Red Herring Prospectus, there are no subsisting shareholders’ agreements among our Shareholders *vis-a-vis* our Company, which our Company is aware of.

There are no inter-se agreements/ arrangements to which the Company or any of its Promoters or Shareholders are a party to and therefore, there are no clauses/ covenants which are material and which needs to be disclosed, and that there are no other clauses / covenants in the inter-se agreements or arrangements or the Articles of Association which are adverse / pre-judicial to the interest of the minority / public shareholders of the Company. Further, there are no other agreements, deed of assignments, acquisition agreements, shareholder agreements, inter-se agreements or agreements of like nature, other than as disclosed in this Draft Red Herring Prospectus.

No Directors or KMPs of our Company are appointed pursuant any inter-se agreement/agreement to which our Company or any of its Promoters or Shareholders are a party to.

Other agreements

Except as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

Further, neither our Promoters nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Memorandum of Understanding dated October 30, 2020 entered into between Madanlal Estates Private Limited (“Madanlal”) and our Company, and Memorandum of Understanding dated October 30, 2020 entered into between

ABD Dwellings Private Limited (“ABD Dwellings”) and our Company

Our Company has entered into two memorandums of understanding (“MoUs”) with Madanlal and ABD Dwellings respectively, on October 30, 2020, by way of which it has been agreed to provide financial assistance by investing in the convertible securities of both Subsidiaries and these Subsidiaries have granted exclusive and irrevocable right in favour of our Company for usage of the premises i.e. flat no. 101, Casa Grande, 22 K.S. Tayyabji Marg, Malabar Hill, Mumbai- 400 006, Maharashtra, India, and flat no. 92, Casa Grande, 22 K.S. Tayyabji Marg, Malabar Hill, Mumbai- 400 006, Maharashtra, India, for the sole purpose of accommodation centre-cum-guest house facility for the Company’s Directors and employees, for a period of five years commencing from January 1, 2021. Pursuant to resolutions passed on November 2, 2020, our Board has approved: (i) investments of up to ₹ 460 million in the compulsorily convertible debentures of ABD Dwellings, and of up to ₹ 400 million in the compulsorily convertible debentures of Madanlal, and utilization of such subscription amount by these Subsidiaries in furtherance of their respective business activities, including acquisition of immovable properties, and (ii) the two MoUs as described above. As on the date of this Draft Red Herring Prospectus, apart from its equity holding in these two Subsidiaries as disclosed in “*Our Subsidiaries – ABD Dwellings Private Limited*” on page 228 and “*Our Subsidiaries – Madanlal Estates Private Limited*” on page 229, our Company has invested ₹ 363.05 million in ABD Dwellings by way of 36,305,000 compulsorily convertible debentures of ₹ 10 each, and ₹ 398 million in Madanlal by way of 39,800,000 compulsorily convertible debentures of ₹ 10 each.

Memorandum of Understanding dated April 12, 2022 amongst Rajesh Ankushrao Tope, OSCORP Trade Services Private Limited and our Company (“ABD LLP MoU”)

Rajesh Ankushrao Tope, OSCORP Trade Services Private Limited (“OSCOP”) and our Company entered into the ABD LLP MoU to form a joint venture entity in the nature of a limited liability partnership for the purposes of setting up a distillery. The ABD LLP MoU stipulates that our Company along with its affiliates (as defined under the ABD LLP MoU) shall contribute 85% of the capital contribution, while Rajesh and OSCORP will contribute 10% and 5% of the capital contribution respectively. For details of the ABD LLP constituted pursuant to the ABD LLP MoU, see “- *Our subsidiaries, joint ventures and associates*” on page 222.

ABD Dwellings Agreement & Madanlal Agreement

Our Company has entered into the ABD Dwellings Agreement and Madanlal Agreement for the sale and transfer of its entire holding in ABD Dwellings and Madanlal to Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria or their respective nominees, on or before the expiry of three months from the date of the listing of the Equity Shares of our Company on the Stock Exchanges, on such terms and conditions as mutually stipulated within parties as stipulated under the respective agreements. For details of these agreements, see ““*Our Subsidiaries – ABD Dwellings Private Limited*” on page 228 and “*Our Subsidiaries – Madanlal Estates Private Limited*” on page 229.

Guarantees

Our Promoter Selling Shareholders have not given any guarantee to any third party, as of the date of this Draft Red Herring Prospectus.

OUR SUBSIDIARIES

As on the date of this Draft Red Herring Prospectus, our Company has six Subsidiaries:

- (1) Chitwan Blenders & Bottlers Private Limited,
- (2) Deccan Star Distilleries India Private Limited,
- (3) NV Distilleries & Breweries (AP) Private Limited,
- (4) Sarthak Blenders & Bottlers Private Limited,
- (5) ABD Dwellings Private Limited, and
- (6) Madanlal Estates Private Limited.

SUBSIDIARIES

1. Chitwan Blenders & Bottlers Private Limited (“Chitwan”)

Chitwan was incorporated on July 13, 1990 as a private limited company with the Registrar of Companies, Bihar at Patna. Its corporate identity number is U15512BR1990PTC004097. Its registered office is situated at House No. 270, Road No. 3E, New Patliputra Colony, Patna – 800 013, Bihar, India.

Nature of business

Chitwan is involved in the business of manufacturing of Indian made foreign liquor.

Capital structure

The authorized share capital of Chitwan is ₹ 2,500,000 divided into 20,000 equity shares of ₹ 100 each and 5,000 12.5% redeemable cumulative preference shares of ₹ 100 each and its issued, subscribed, and paid-up equity share capital is ₹ 2,498,000 divided into 19,980 equity shares of ₹ 100 each and 5,000 12.5% redeemable cumulative preference shares of ₹ 100 each.

Shareholding Pattern

S. No	Name of shareholder	Number of shares of face value of ₹ 100 each	% of total share capital
Equity shares of face value of ₹ 100 each			
1.	Allied Blenders and Distillers Limited	19,930	79.78
2.	Bina Chhabria Enterprises Private Limited (in its capacity as a nominee of Allied Blenders and Distillers Limited).	50	0.20
	Total (A)	19,980	79.98
Preference shares of face value of ₹ 100 each			
3.	Allied Blenders and Distillers Limited	5,000	20.02
	Total (B)	5,000	20.02
	Total (A + B)	24,980	100.00

2. Deccan Star Distilleries India Private Limited (“Deccan”)

Deccan was incorporated on October 29, 2013 as a private limited company with the Registrar of Companies, Telangana at Hyderabad. Its corporate identity number is U15492TG2013PTC090743. Its registered office is situated

at 8-2-684/4/13/1, Road No. 12, Banjara Hills, Hyderabad- 500 034, Telangana, India.

Nature of business

Deccan is involved in the business of manufacturing of Indian made foreign liquor.

Capital structure

The authorized share capital of Deccan is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

S. No	Name of shareholder	Number of equity shares of face value of ₹ 10 each	% of total equity share capital
1.	Allied Blenders and Distillers Limited	9,999	99.99
2.	Bina Chhabria Enterprises Private Limited (in its capacity as a nominee of Allied Blenders and Distillers Limited).	1	0.01
	Total	10,000	100.00

3. NV Distilleries & Breweries (AP) Private Limited (“NV Distillers”)

NV Distillers was incorporated on August 31, 2007 as a private limited company with the RoC. Its corporate identity number is U15549MH2007PTC335436. Its registered office is situated at 394-C, Lamington Chambers, Lamington Road, Mumbai- 400 004, Maharashtra, India.

Nature of business

NV Distillers is involved in the business of manufacturing of Indian made foreign liquor.

Capital structure

The authorized share capital of NV Distillers is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

S. No	Name of shareholder	Number of equity shares of face value of ₹ 10 each	% of total equity share capital
1.	Allied Blenders and Distillers Limited	5,000	50.00
2.	Bina Chhabria Enterprises Private Limited (in its capacity as a nominee of Allied Blenders and Distillers Limited).	5,000	50.00
	Total	10,000	100.00

4. Sarthak Blenders & Bottlers Private Limited (“Sarthak”)

Sarthak was incorporated on May 9, 2011 as a private limited company with the RoC. Its corporate identity number is U15311MH2011PTC337649. Its registered office is situated at 394-C, Lamington Chambers, Lamington Road

Mumbai – 400 004. Maharashtra, India.

Nature of business

Sarthak is involved in the business of manufacturing of Indian made foreign liquor.

Capital structure

The authorized share capital of Sarthak is ₹ 13,000,000 divided into 1,300,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 5,221,000 divided into 522,100 equity shares of ₹ 10 each.

Shareholding Pattern

S. No	Name of shareholder	Number of equity shares of face value of ₹ 10 each	% of total equity share capital
1.	Allied Blenders and Distillers Limited	520,000	99.60
2.	Bina Chhabria Enterprises Private Limited (in its capacity as a nominee of Allied Blenders and Distillers Limited).	2,100	0.40
	Total	522,100	100.00

5. ABD Dwellings Private Limited (“ABD Dwellings”)

ABD Dwellings was incorporated on August 26, 2013 as a private limited company with the RoC. Its corporate identity number is U45400MH2013PTC247452. Its registered office is situated at 394-C, Lamington Chambers, Lamington Road Mumbai – 400 004, Maharashtra, India.

Nature of business

ABD Dwellings is involved in the business of real estate.

Capital structure

The authorized share capital of ABD Dwellings is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

S. No	Name of shareholder	Number of equity shares of face value of ₹ 10 each	% of total equity share capital
1.	Allied Blenders and Distillers Limited*	9,990	99.90
2.	Resham Chhabria Jeetendra Hemdev (in her capacity as a nominee of Allied Blenders and Distillers Limited).	10	0.10
	Total	10,000	100.00

*** Agreement for sale of equity shares and compulsorily convertible debentures dated June 15, 2022 amongst ABD Dwellings, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria and our Company (“ABD Dwellings Agreement”)**

Our Company has entered into the ABD Dwellings Agreement to sell and transfer its entire holding in ABD Dwellings, comprising of 9,990 fully paid-up equity shares of ₹ 10 each and 36,305,000 compulsorily convertible debentures of ₹ 10 each including any additional equity shares and/or convertible debentures as may be issued by ABD Dwellings in future (collectively, the “**Sale Securities**”), to Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria or their respective nominees, on or before the expiry of three months from the date of the

listing of the Equity Shares of our Company on the Stock Exchanges, at face value, on such terms and conditions as mutually stipulated within parties to the ABD Dwellings Agreement. Since this is only an agreement to sell the Sale Securities, no consideration has been paid till date. Further, as certified by S D T & Co., Chartered Accountants, pursuant to their certificate dated June 27, 2022, this proposed divestment does not exceed 20% of our consolidated net worth, revenue from operations/turnover or profit before tax for Fiscal 2021 or for the nine month period ended December 31, 2021, as per the Restated Consolidated Financial Information.

6. Madanlal Estates Private Limited (“Madanlal”)

Madanlal was incorporated on November 17, 2017 as a private limited company with the Registrar of Companies, Maharashtra at Mumbai. Its corporate identity number is U70200MH2017PTC301917. Its registered office is situated at 394-C, Lamington Chambers, Lamington Road Mumbai- 400 004, Maharashtra, India.

Nature of business

Madanlal is involved in the business of real estate.

Capital structure

The authorized share capital of Madanlal is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each and its issued, subscribed, and paid-up equity share capital is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding Pattern

S. No	Name of shareholder	Number of equity shares of face value of ₹ 10 each	% of total equity share capital
1.	Allied Blenders and Distillers Limited*	9,990	99.90
2.	Neesha K Chhabria (in her capacity as a nominee of Allied Blenders and Distillers Limited).	10	0.10
	Total	10,000	100.00

****Agreement for sale of equity shares and compulsorily convertible debentures dated June 15, 2022 amongst Madanlal, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria and our Company (“Madanlal Agreement”)***

Our Company has entered into the Madanlal Agreement to sell and transfer its entire holding in Madanlal, comprising of 9,990 fully paid-up equity shares of ₹ 10 each and 39,800,000 compulsorily convertible debentures of ₹ 10 each including any additional equity shares and/or convertible debentures as may be issued by Madanlal in future (collectively, the “Sale Securities”), to Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Neesha Kishore Chhabria or their respective nominees, on or before the expiry of three months from the date of the listing of the Equity Shares of our Company on the Stock Exchanges, at face value, on such terms and conditions as mutually stipulated within parties to the Madanlal Agreement. Since this is only an agreement to sell the Sale Securities, no consideration has been paid till date. Further, as certified by S D T & Co., Chartered Accountants, pursuant to their certificate dated June 27, 2022, this proposed divestment does not exceed 20% of our consolidated net worth, revenue from operations/turnover or profit before tax for Fiscal 2021 or for the nine month period ended December 31, 2021, as per the Restated Consolidated Financial Information.

Amount of accumulated profits or losses

There are no accumulated profits or losses of our Subsidiaries, which are not accounted for by our Company.

Common Pursuits

Based on the business activities undertaken by Chitwan Blenders & Bottlers Private Limited, Deccan Star Distilleries India Private Limited, NV Distilleries & Breweries (AP) Private Limited and Sarthak Blenders & Bottlers Private Limited, which are some of our Subsidiaries, there are certain common pursuits amongst these Subsidiaries and our

Company. However, our Subsidiaries do not compete with our Company and, accordingly, there is no conflict of interest between our Company and our Subsidiaries. Further, our Company and our Subsidiaries will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

For risks relating to the same, please refer to “*Risk Factors – Internal Risk Factors – 66. Our Promoters, Directors and Group Companies have interests in certain companies, which are in businesses similar to ours and this may result in potential conflict of interest with us*” at page 66 .

For details of related business transactions between our Company and our Subsidiaries, see “*Financial Information - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 47- Related party disclosures, as per IND AS 24*” on page 324.

Business interest between our Company and our Subsidiaries

Except as disclosed above and as stated in “*History and Certain Corporate Matters – Other Agreements – Memorandum of Understanding dated October 30, 2020 entered into between Madanlal Estates Private Limited (“Madanlal”) and our Company, and Memorandum of Understanding dated October 30, 2020 entered into between ABD Dwellings Private Limited (“ABD Dwellings”) and our Company*”, “*Our Business*” and “*Financial Statements - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 47- Related party disclosures, as per IND AS 24*” on pages 224, 178 and 324, respectively, none of our Subsidiaries have any business interest in our Company.

Other Confirmations

None of our Subsidiaries are listed on any stock exchange in India or abroad. Further, neither have any of our Subsidiaries been refused listing in the last ten years by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad.

OUR MANAGEMENT

Board of Directors

In terms of the Companies Act and the Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors, provided that our Shareholders may appoint more than 15 Directors upon passing a special resolution to that effect, in a general meeting.

As on the date of this Draft Red Herring Prospectus, our Board comprises of 10 Directors including a Whole-Time Director (Chairman), a Non-Executive Director and Co-Chairperson, a Whole-Time Director (Executive Deputy Chairman), a Whole-Time Director (Vice Chairperson), a Non-Independent, Non-Executive Director, and 5 Independent Directors, of which 1 is a woman Independent Director. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, pertaining to the constitution of the Board and committees thereof and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

The following table sets forth the details of our Board as of the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
<p>Kishore Rajaram Chhabria</p> <p><i>Designation:</i> Whole-Time Director (Chairman)</p> <p><i>Date of Birth:</i> December 1, 1954</p> <p><i>Address:</i> Flat No. 111/11, Casa Grande, Little Gibbs Road, Malabar Hills, Mumbai 400006, Maharashtra.</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> From April 1, 2022 to March 31, 2025</p> <p><i>Period of Directorship:</i> Director since March 18, 2010</p> <p><i>DIN:</i> 00243244</p>	67	<p><u>Indian Companies:</u></p> <p><u>Private Companies:</u></p> <ol style="list-style-type: none"> 1. Ashoka Liquors Private Limited; 2. BDA Private Limited; 3. Benco Properties Private Limited; 4. Bhuneshwari Properties Private Limited; 5. BKC Enterprises Private Limited; 6. Manoharlal Realtors Private Limited; 7. Netravathi Estates Private Limited; 8. Pitambari Properties Private Limited; 9. Rayonyarns Import Company Private Limited; 10. Starvoice Properties Private Limited; and 11. Tracstar Distilleries Private Limited <p><u>Foreign Companies:</u></p> <p>Nil</p>
<p>Bina Kishore Chhabria</p> <p><i>Designation:</i> Non-Executive Director and Co-Chairperson</p> <p><i>Date of Birth:</i> October 1, 1957</p> <p><i>Address:</i> Flat No. 111/11, Casa Grande, Little Gibbs Road, Malabar Hills, Mumbai 400006, Maharashtra.</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since March 18, 2010</p> <p><i>DIN:</i> 00243376</p>	64	<p><u>Indian Companies:</u></p> <p><u>Private Companies:</u></p> <ol style="list-style-type: none"> 1. ABD Dwellings Private Limited; 2. ABD Estates Private Limited; 3. ABD Homes Private Limited; 4. ABD Realtors Private Limited; 5. Bina Chhabria Enterprises Private Limited; 6. BKC Dwellings Private Limited; 7. Borank Enterprises Private Limited; 8. Kapardi Finvest Private Limited; 9. Karbon Enterprises Private Limited; 10. Kartik Finance and Investments Private Limited; 11. Madanlal Estates Private Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
		12. Marengo Investments & Trading Company Private Limited; 13. Marengo Trading and Properties Private Limited; 14. Netravathi Estates Private Limited; 15. S. T. Holding Private Limited; 16. Shree Emati Investments Private Limited; 17. Starvoice Investments Private Limited; 18. Tripureshwari Properties Private Limited; and 19. Woodpecker Investments Private Limited <u>Section 8 Companies:</u> 1. ABD Foundation;
<p>Resham Chhabria Jeetendra Hemdev</p> <p><i>Designation:</i> Whole-Time Director (Vice Chairperson)</p> <p><i>Date of Birth:</i> September 14, 1977</p> <p><i>Address:</i> Flat No. 61/6, Casa Grande, Little Gibbs Road No. 2, Malabar Hills, Mumbai 400006, Maharashtra.</p> <p><i>Occupation:</i> Business</p> <p><i>Current term:</i> From April 1, 2022 to March 31, 2025, liable to retire by rotation</p> <p><i>Period of Directorship:</i> Director since June 14, 2021</p> <p><i>DIN:</i> 00030608</p>	44	<p><u>Indian Companies:</u></p> <p><u>Private Companies:</u></p> 1. ABD Dwellings Private Limited; 2. ABD Estates Private Limited; 3. ABD Realtors Private Limited; 4. Benco Properties Private Limited; 5. BKC Abode Private Limited; 6. BKC Dwellings Private Limited; 7. BKC Enterprises Private Limited 8. BKC Estates Private Limited; 9. Borank Enterprises Private Limited; 10. Giribala Properties Private Limited; 11. Kartik Finance and Investments Private Limited; 12. Krabon Enterprises Private Limited; 13. Marengo Investment & Trading Company Private Limited; 14. Royal Spirits Private Limited; 15. Sangmeshwar Realtors Private Limited; 16. Shree Emati Investments Private Limited; 17. Starvoice Investments Private Limited; 18. Starvoice Trading Private Limited; and 19. Woodpecker Properties Private Limited. <u>Foreign Companies:</u> Nil
<p>Shekhar Ramamurthy</p> <p><i>Designation:</i> Whole-Time Director (Executive Deputy Chairman)</p> <p><i>Date of Birth:</i> October 4, 1961</p> <p><i>Address:</i> 11 A, Binny Crescent Apartments, 16/1 Benson Cross Road, Benson Town, Bangalore- 560046, Karnataka.</p> <p><i>Occupation:</i> Service</p>	60	<p><u>Indian Companies:</u></p> Nil <p><u>Foreign Companies:</u></p> Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
<p>Current term: From April 1, 2022 to March 31, 2025, liable to retire by rotation</p> <p>Period of Directorship: Director since July 1, 2021</p> <p>DIN: 00504801</p>		
<p>Maneck Navel Mulla</p> <p>Designation: Non-Independent, Non-Executive Director</p> <p>Date of Birth: July 3, 1974</p> <p>Address: 1st Floor, Yazad-o-Khurshood, Altamount Road, Opp Chitrakoot Apartments, Mumbai 400026, Maharashtra.</p> <p>Occupation: Advocate & Solicitor</p> <p>Current term: Liable to retire by rotation.</p> <p>Period of Directorship: Director since February 3, 2022</p> <p>DIN: 02451544</p>	47	<p><u>Indian Companies:</u></p> <p>NIL</p> <p><u>Foreign Companies:</u></p> <p>Nil</p>
<p>Nasser Mukhtar Munjee</p> <p>Designation: Independent Director</p> <p>Date of Birth: November 18, 1952</p> <p>Address: House No. 471, Benedict Villa, Saudevado, Carraim Chorao, Tiswadi, North Goa, Goa- 403102</p> <p>Occupation: Advisor</p> <p>Current term: For a period of five years since March 17, 2022</p> <p>Period of Directorship: Director since March 17, 2022</p> <p>DIN: 00010180</p>	69	<p><u>Indian Companies:</u></p> <p><u>Public Companies:</u></p> <ol style="list-style-type: none"> 1. Ambuja Cements Limited; 2. Cummins India Limited; 3. Tata Motors Finance Limited; 4. The Indian Hotels Company Limited; 5. Tata Motors Finance Solutions Limited; and 6. TMF Holdings Limited. <p><u>Foreign Companies:</u></p> <ol style="list-style-type: none"> 1. Jaguar Land Rover Automotive PLC, UK; 2. Astarla Ltd., Dubai, UAE; 3. Adsum Capital Ltd., UAE; and 4. Greenko Energy Holdings. <p><u>Section 8 Companies:</u></p> <ol style="list-style-type: none"> 1. Aga Khan Rural Support Programme, India (AKRSP India) 2. Indian Institute of Human Settlements (IIHS) 3. Aga Khan Foundation 4. Miraclefeet Foundation for Eliminating Club Foot
<p>Balaji Viswanathan Swaminathan</p> <p>Designation: Independent Director</p> <p>Date of Birth: March 19, 1965</p> <p>Address: 87 Sunset Way, Clementi Park, Singapore- 597108</p> <p>Occupation: Business</p>	57	<p><u>Indian Companies:</u></p> <p><u>Private Companies:</u></p> <ol style="list-style-type: none"> 1. Spice Garden Spa & Eco Tourism Resorts Private Limited; 2. Vibyor Realty & Resort Private Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
<p>Current term: For a period of five years since February 3, 2022</p> <p>Period of Directorship: Director since February 3, 2022</p> <p>DIN: 01794148</p>		<p><u>Foreign Companies:</u></p> <p>Nil</p>
<p>Rukhshana Jina Mistry</p> <p>Designation: Independent Director</p> <p>Date of Birth: September 24, 1956</p> <p>Address: Flat No. 19, Rose Minar 87, Chapel Road, Near Mount Carmel Church, Bandra (West), Mumbai- 400050, Maharashtra</p> <p>Occupation: Professional</p> <p>Current term: For a period of five years since June 2, 2022.</p> <p>Period of Directorship: Director since June 2, 2022</p> <p>DIN: 08398795</p>	65	<p><u>Indian Companies:</u></p> <p><u>Public Companies:</u></p> <ol style="list-style-type: none"> 1. Sterling and Wilson Renewable Energy Limited <p><u>Foreign Companies:</u></p> <p>Nil</p>
<p>Vivek Anilchand Sett</p> <p>Designation: Independent Director</p> <p>Date of Birth: January 9, 1955</p> <p>Address: 1001, Marathon Heights, P. B. Marg, Worli, Mumbai- 400013, Maharashtra</p> <p>Occupation: Professional</p> <p>Current term: For a period of five years since June 2, 2022.</p> <p>Period of Directorship: Director since June 2, 2022</p> <p>DIN: 00031084</p>	67	<p><u>Indian Companies:</u></p> <p><u>Private Companies:</u></p> <ol style="list-style-type: none"> 1. GMS Edible Oils Private Limited 2. 9X Telefilms Private Limited 3. Vasudev Adigas Fastfood Private Limited 4. 9X Media Private Limited 5. New Silk Route Advisors Private Limited 6. Destimoney India Services Private Limited (under liquidation) 7. Destimoney Financial Services Private Limited (under liquidation) <p><u>Foreign Companies:</u></p> <p>Nil</p>
<p>Paul Henry Skipworth</p> <p>Designation: Independent Director</p> <p>Date of Birth: February 25, 1968</p> <p>Address: 8, Henderland Road, Edinburgh, United Kingdom, EH126BB</p> <p>Occupation: Professional</p> <p>Current term: For a period of five years since June 2, 2022.</p> <p>Period of Directorship: Director since June 2, 2022</p>	54	<p><u>Indian Companies:</u></p> <p>Nil</p> <p><u>Foreign Companies:</u></p> <ol style="list-style-type: none"> 1. Farmison Limited 2. Farmison Holding Limited 3. Farmison Group Limited 4. St Andrews Brewers Limited 5. Blendworks Limited 6. Eden Mill Brewers Limited 7. Eden Mill Distillers Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
<i>DIN:</i> 09623856		8. Eden Mill St Andrews Limited 9. Rise Keto Limited 10. Inverleith General Partner 1B LLP 11. Inverleith GP 1B Limited 12. Montane Ltd 13. Inverleith (MT) Limited 14. Revenge Holdings Limited 15. Montezuma's Chocolates Limited 16. Montezuma's Direct Limited 17. Montezuma's Limited 18. Inverleith (MZ) Limited 19. Inverleith (PO) Limited 20. Braham & Murray Limited (trading as Good Hemp) 21. The Scotch Malt Whisky Society Limited 22. The Artisanal Spirits Company PLC 23. Inverleith LLP 24. Inverleith GP Limited 25. Inverleith General Partner LLP 26. Inverleith (B&M) Limited 27. Inverleith (ASC) Limited 28. HIL (Nominees) Limited 29. HIL BM Limited 30. Hothouse Brands Limited

Brief profiles of our Directors

Kishore Rajaram Chhabria is a Whole-Time Director (Chairman) on the Board of our Company. He holds a bachelor's degree in commerce from University of Bombay. Prior to joining our Company, he was previously associated with Shaw Wallace & Company Limited (as a managing director) and B.D.A. Limited. He plays an executive role in overseeing the strategies, risk management, governance, capital, financial reporting and M&A activities of our Company.

Bina Kishore Chhabria is a Non-Executive Director and Co-Chairperson on the Board of our Company. She has not received any formal education. She has been a Director on the Board of our Company since 2010.

Resham Chhabria Jeetendra Hemdev is a Whole-Time Director (Vice Chairperson) on the Board of our Company. She has passed the third year of bachelor's degree in commerce (three year integrated degree) from University of Mumbai. She has experience in various fields, including business strategy for organization.

Shekhar Ramamurthy is a Whole-Time Director (Executive Deputy Chairman) on the Board of our Company. He holds a post graduate diploma in Management from Indian Institute of Management, Calcutta. Prior to joining our Company, he was previously associated with United Spirits Limited and United Breweries Limited. He has over 31 years of experience in various roles, including marketing, corporate planning and sales.

Maneck Navel Mulla is a Non-Independent, Non-Executive Director on the Board of our Company. He holds a bachelor's degree in Commerce (Financial Accounting and Auditing) from University of Bombay and bachelor's degree in law (LL.B) from University of Bombay. He is a member of Bar Council of Maharashtra and Goa. Prior to joining our Company, he was associated with Mulla & Mulla and Craigie Blunt & Caroe and M Mulla Associates. He has over two decades of experience in the field of law.

Nasser Mukhtar Munjee is an Independent Director on the Board of our Company. He holds a bachelor of science (BSc) in Economics and master of science (MSc) in Economics from London School of Economics and Political Science, United Kingdom. Prior to joining our Company, he was previously associated with Housing Development Finance Corporation Limited, Infrastructure Development Finance Company Limited, and Development Credit Bank

Limited.

Balaji Viswanathan Swaminathan is an Independent Director on the Board of our Company. He holds a bachelor's degree in commerce from St. Xavier's College, Calcutta. He had also passed final examination from the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. Prior to joining our Company, he was associated with B S R & Co., ICICI Bank Limited, Westpac Banking Corporation, Standard Chartered Bank and SAIML Pte. Ltd. He has over 27 years of experience in various fields, including finance.

Rukhshana Jina Mistry is an Independent Director on the Board of our Company. She is a qualified chartered accountant. She has been a practising chartered accountant for over 32 years.

Vivek Anilchand Sett is an Independent Director on the Board of our Company. He is an associate member of Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with Ispat Industries Limited, Tata Sons Limited, Tata Realty and Infrastructure, Nectar Life Sciences Limited and New Silk Route Advisors Private Limited.

Paul Henry Skipworth is an Independent Director on the Board of our Company. He holds a master's degree in engineering from Imperial College and master's degree in business administration from the European Institute of Business Administration. Prior to joining our Company, he was associated with Artisanal Spirits Company PLC, LVMH and LEK Consulting.

Relationship amongst our Directors

Except as disclosed below, none of our Directors are related to each other.

- Kishore Rajaram Chhabria and Bina Kishore Chhabria are husband and wife; and
- Resham Chhabria Jeetendra Hemdev is the daughter of Kishore Rajaram Chhabria and Bina Kishore Chhabria.

Details of directorship in companies suspended or delisted

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Arrangement or understanding with major Shareholders, customers, suppliers or others

There is no arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed as a Director or member of senior management.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Terms of appointment of our Directors

a) Terms of appointment of Executive Directors

Kishore Rajaram Chhabria

Pursuant to resolution dated March 31, 2022 passed by our Board, special resolution dated April 1, 2022, passed by the Shareholders of our Company, and contract of employment dated June 9, 2022, set forth below are the remuneration and other benefits of Kishore Rajaram Chhabria:

Basic Salary	₹ 335.56 million per annum
Perquisites as per the agreement	Standard perquisites of medical, house rent allowance, special allowance, leave travel allowance, LIC, provident fund and other benefits as per the rules of our Company.

Kishore Rajaram Chhabria, our Whole-Time Director (Chairman) will be redesignated as a non-executive Chairman with effect from the listing date of our Equity Shares in the proposed Offer. This would result in rationalization of certain business related expenses such as salary, office expenses, expenses in relation to various employees and consultants associated with the chairman's office and operating overheads. For further details, see "Our Business – Overview" on page 178.

Resham Chhabria Jeetendra Hemdev

Pursuant to resolution dated March 31, 2022 passed by our Board, special resolution dated April 1, 2022, passed by the Shareholders of our Company, and contract of employment dated June 9, 2022, set forth below are the remuneration and other benefits of Resham Chhabria Jeetendra Hemdev:

Basic Salary	₹ 28.11 million per annum
Perquisites as per the agreement	Standard perquisites of house rent allowance, special allowance, leave travel allowance Provident Fund and other benefits as per the rules of our Company.

Shekhar Ramamurthy

Pursuant to resolutions dated March 31, 2022 passed by our Board, special resolution dated April 1, 2022, passed by the Shareholders of our Company, contract of employment dated June 9, 2022, set forth below are the remuneration and other benefits of Shekhar Ramamurthy:

Basic Salary	₹ 50.00 million per annum
Perquisites as per the agreement	Standard perquisites of house rent allowance, special allowance, leave travel allowance Provident Fund and other benefits as per the rules of our Company.

Commission and sitting fees paid to the Non-Executive Directors and Independent Directors

Pursuant to Board resolution dated June 13, 2022, each Independent Director is entitled to receive sitting fees of ₹ 50,000 for attending each meeting of our Board and any committee of our Board.

The details of the commission and sitting fees paid to the Non-Executive and Independent Directors during Fiscal 2022 are disclosed below:

S. No.	Name of Non-Executive Directors / Independent Directors	Designation	Sitting fees paid (₹ in million)	Commission (₹ in million)	Total remuneration (₹ in million)
1.	Balaji Viswanathan Swaminathan	Non-Executive Director	Nil	Nil	Nil
2.	Nasser Mukhtar Munjee	Independent Director	Nil	Nil	Nil
3.	Maneck Navel Mulla	Non-Independent, Non-Executive Director	Nil	Nil	Nil
4.	Vivek Anilchand Sett ¹	Independent Director	Nil	Nil	Nil
5.	Rukhshana Jina Mistry ¹	Independent Director	Nil	Nil	Nil
6.	Paul Henry Skipworth ¹	Independent Director	Nil	Nil	Nil
7.	Bina Kishore Chhabria	Non-Executive Director and Co-Chairperson	Nil	Nil	Nil

¹ Appointed as an Independent Director on June 2, 2022.

Payments or benefits to Executive Directors of our Company

Except as disclosed below, our Company has not paid any compensation or granted any benefit to any of our Directors (including contingent or deferred compensation) in all capacities in Fiscal 2022. Further, there is no contingent or deferred compensation payable to any of our Directors which accrued in Fiscal 2022.

In Fiscal 2022, our Company has paid the following remuneration to the Executive Directors of our Company:

Sr. No.	Name	Remuneration (₹ in millions)
1.	Kishore Rajaram Chhabria	430.08
2.	Resham Chhabria Jeetendra Hemdev	36.96
3.	Shekhar Ramamurthy	75.00

Remuneration paid or payable by our Subsidiaries

None of our Directors have been paid or are entitled to any remuneration from our Subsidiaries, including contingent or deferred compensation accrued for the year during Fiscal 2022.

Shareholding of the Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	Number of equity shares held	Percentage of pre-Offer Equity Share Capital*
1.	Bina Kishore Chhabria	127,428,650	52.20
2.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05

Borrowing Powers

Pursuant to our Articles of Association and applicable provisions of the Companies Act and pursuant to a resolution passed in the EGM held on April 1, 2022 our Board has been authorised to borrow any sum or sums of money from time to time notwithstanding that the money or monies to be borrowed, together with the monies already borrowed by the Company in the ordinary course of business, may exceed the aggregate of the paid up share capital, free reserves and securities premium of the Company, provided however that the total amount so borrowed by the Board shall not exceed ₹ 13,000 million.

Bonus or profit-sharing plan for our Directors

Except as mentioned above in “*Terms of Appointment of Directors*” on page 236, none of our Directors are party to performance linked bonus or a profit-sharing plan for our Directors.

Interest of Directors

All our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as the sitting fees and commission, if any, payable to them for attending meetings of our Board and/or committees thereof as approved by our Board/ Shareholders, the reimbursement of expenses payable to them, as approved by our Board.

Our Directors, Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev may also be interested to the extent of their respective shareholding in our Company and to the extent of any dividend payable to them and other distributions in respect of such shareholding and to the extent of Equity Shares, if any, that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. Our Non-Independent, Non-Executive Director, Maneck Navel Mulla is the founder of the law firm “M/s M Mulla Associates, Advocates & Solicitors” and has been providing

legal services to the Company Pursuant to an agreement dated June 28, 2021 with the Company, M/s M Mulla Associates, Advocates & Solicitors is providing legal services to the Company for a period of four years from July 1, 2021 to June 30, 2025 at a consideration exceeding ₹0.25 million per month.

Our Directors do not have any interest in any property acquired or proposed to be acquired of or by our Company.

Interest in promotion or formation of our Company

Except for Kishore Rajaram Chhabria, Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev, who are the Promoters of our Company, none of our Directors are interested in the promotion or formation of our Company.

Except as provided under section “*Offer Document Summary- Related Party Transactions*”, on page 19, no loans have been availed by our Directors from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships / shareholding or any partnership firm in which they are partners.

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, except as disclosed in ‘*Offer Document Summary- Summary of Related Party Transactions*’ on page 19, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Business interest

Except as stated in ‘*Offer Document Summary- Summary of Related Party Transactions*’ on page 19, our Directors do not have any other interest in our Company or in any transaction by our Company.

Changes to our Board in the last three years

Name of Director	Date of appointment/ change in designation/ cessation	Reason
Arun Barik	June 20, 2022	Ceased to be a Director
Vivek Anilchand Sett	June 04, 2022	Change in designation as a Director
Rukhshana Jina Mistry	June 04, 2022	Change in designation as a Director
Paul Henry Skipworth	June 04, 2022	Change in designation as a Director
Arun Barik	June 04, 2022	Change in designation as a Director
Vivek Anilchand Sett	June 02, 2022	Appointed as an Additional Director
Rukhshana Jina Mistry	June 02, 2022	Appointed as an Additional Director
Paul Henry Skipworth	June 02, 2022	Appointed as an Additional Director
Arun Barik	June 02, 2022	Appointed as an Additional Director

Name of Director	Date of appointment/ change in designation/ cessation	Reason
Deepak Shashibhusan Roy	April 25, 2022	Ceased to be a Director
Kishore Rajaram Chhabria	April 1, 2022	Change in designation as a Whole-Time Director (Chairman)
Shekhar Ramamurthy	April 1, 2022	Change in designation as a Whole-Time Director (Executive Deputy Chairman)
Resham Chhabria Jeetendra Hemdev	April 1, 2022	Change in designation as a Whole-Time Director (Vice Chairperson)
Nasser Mukhtar Munjee	April 1, 2022	Change in designation as Director
Utpal Kumar Ganguli	March 31, 2022	Ceased to be a Director
Ramakrishnan Ramaswamy	March 31, 2022	Ceased to be a Director
Chirag Pittie	March 31, 2022	Ceased to be a Director
Nasser Mukhtar Munjee	March 17, 2022	Appointed as an Additional Director
Maneck Navel Mulla	February 03, 2022	Change in designation as a Director
Balaji Viswanathan Swaminathan	February 03, 2022	Change in designation as a Director
Maneck Navel Mulla	February 03, 2022	Appointed as an Additional Director
Balaji Viswanathan Swaminathan	February 03, 2022	Appointed as an Additional Director
Chirag Pittie	October 21, 2021	Change in designation as a Director
Nicholas Bodo Blazquez	July 19, 2021	Resigned and ceased to be a Director
Shekhar Ramamurthy	July 7, 2021	Change in designation as a Director
Resham Chhabria Jeetendra Hemdev	July 7, 2021	Change in designation as a Director
Chirag Pittie	July 7, 2021	Change in designation as a Director
Shekhar Ramamurthy	July 1, 2021	Appointment as an Additional Director
Nicholas Bodo Blazquez	June 30, 2021	Change in designation as a Director
Resham Chhabria Jeetendra Hemdev	June 14, 2021	Appointment as an Additional Director
Chirag Pittie	June 14, 2021	Appointment as an Additional Director
Deepak Shashibhusan Roy	July 1, 2020	Change in designation as a Director
Nicholas Bodo Blazquez	December 1, 2019	Change in designation as a Director
Nicholas Bodo Blazquez	August 30, 2019	Appointed as a Director
Nicholas Bodo Blazquez	August 29, 2019	Change in designation as an Additional Director

Corporate Governance

The provisions of the Companies Act along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, Companies Act and the SEBI ICDR Regulations, pertaining to the constitution of the Board and committees thereof and formulation and adoption of policies. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

Our Board has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;

- (c) Stakeholders' Relationship Committee;
- (d) Risk Management Committee;
- (e) Corporate Social Responsibility Committee; and
- (f) IPO Committee (for purposes of the Offer).

In addition to the above, our Board of Directors may, from time to time, constitute committees to delegate certain powers for various functions, in accordance with applicable laws.

Audit committee

The Audit committee was initially constituted by a resolution of our Board at their meeting held on August 5, 2014 and was subsequently re-constituted by resolutions of our Board at their meeting held on June 2, 2022 and June 20, 2022. The Audit committee currently comprises the following members:

Name of Director	Position in the Committee	Designation
Balaji Viswanathan Swaminathan	Chairman	Independent Director
Rukhshana Jina Mistry	Member	Independent Director
Maneck Navel Mulla	Member	Non-Independent, Non-Executive Director

The scope and function of the Audit committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

- (i) The Audit Committee shall have powers, which should include the following:
 - (a) To investigate any activity within its terms of reference;
 - (b) To seek information from any employee of the Company;
 - (c) To obtain outside legal or other professional advice;
 - (d) To secure attendance of outsiders with relevant expertise if it considers necessary; and
 - (e) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.
- (ii) The role of the Audit Committee shall include the following:
 - (a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - (b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
 - (c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
 - (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;

- (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; and
 - (vii) Modified opinion(s) in the draft audit report.
- (e) Reviewing, with the management, the quarterly, half yearly and annual financial statements before submission to the board for approval;
 - (f) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - (g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (h) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
 - (i) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.*

- (j) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (k) Scrutiny of inter-corporate loans and investments;
- (l) Undertaking or supervising valuation of undertakings or assets of the company, wherever it is necessary;
- (m) Evaluation of internal financial controls and risk management systems;
- (n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (p) Discussion with internal auditors of any significant findings and follow up thereon;
- (q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (r) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (t) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

- (u) Reviewing the functioning of the whistle blower mechanism;
 - (v) Approval of the appointment of the Chief Financial Officer of the Company (“CFO”) (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
 - (w) Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws;
 - (x) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
 - (y) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
 - (z) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
 - (aa) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiaries exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
 - (bb) To consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders and;
 - (cc) Carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.”
- (iii) The Audit Committee shall mandatorily review the following information:
- (a) Management’s discussion and analysis of financial condition and results of operations;
 - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
 - (c) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;
 - (d) Internal audit reports relating to internal control weaknesses;
 - (e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
 - (f) Statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - ii. annual statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations;
 - (g) To review the financial statements, and the auditors’ report thereon, in particular, the investments made by any unlisted subsidiary; and

(h) Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a resolution of our Board at their meeting held on February 12, 2008 and was re-constituted by our Board at their meeting held on June 2, 2022. The Nomination and Remuneration committee currently comprises the following members:

Name of Director	Position in the Committee	Designation
Paul Henry Skipworth	Chairman	Independent Director
Rukhshana Jina Mistry	Member	Independent Director
Maneck Navel Mulla	Member	Non-Independent, Non-Executive Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates.
- (c) Formulation of criteria for evaluation of performance of independent directors and the Board;
- (d) Devising a policy on Board diversity;
- (e) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
- (f) Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;

- (g) Determining the Company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (h) Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);
- (i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (j) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (k) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (l) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“**ESOP Scheme**”) including the following:
- i. Determining the eligibility of employees to participate under the ESOP Scheme;
 - ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;
 - iii. Date of grant;
 - iv. Determining the exercise price of the option under the ESOP Scheme;
 - v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;
 - vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - vii. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;
 - viii. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - ix. Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;
 - x. The grant, vest and exercise of option in case of employees who are on long leave;
 - xi. Allow exercise of unvested options on such terms and conditions as it may deem fit;
 - xii. The procedure for cashless exercise of options;
 - xiii. Forfeiture/ cancellation of options granted;
 - xiv. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:
 - the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
 - for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.
- (m) Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan (“**ESOP Scheme**”) and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (n) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

- a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
 - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended,
- by the Company and its employees, as applicable;
- (o) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee; and
 - (p) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations or other applicable laws or by any other regulatory authority.”

Stakeholders’ Relationship Committee

The Stakeholders’ Relationship Committee was constituted by a resolution of our Board at their meeting held on June 2, 2022. The Stakeholders’ Relationship Committee currently comprises the following members:

Name of Director	Position in the Committee	Designation
Nasser Mukhtar Munjee	Chairman	Independent Director
Balaji Viswanathan Swaminathan	Member	Independent Director
Maneck Navel Mulla	Member	Non-Independent, Non-Executive Director

The scope and function of the Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act, and Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

- (a) Redressal of all security holders’ and investors’ grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, issue of new/duplicate certificates, general meetings, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;
- (b) Reviewing of measures taken for effective exercise of voting rights by shareholders;
- (c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (d) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;
- (g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority;

- (h) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;
- (i) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;
- (j) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company; and
- (k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board at their meeting held on June 2, 2022. The Risk Management Committee currently comprises the following members:

Name of Director	Position in the Committee	Designation
Shekhar Ramamurthy	Chairman	Whole-Time Director (Executive Deputy Chairman)
Maneck Navel Mulla	Member	Non-Independent, Non-Executive Director
Vivek Anilchand Sett	Member	Independent Director

The terms of reference of the Risk Management Committee are as follows:

- (a) To periodically review the risk management policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (b) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes;
- (c) The policy shall include:
 1. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the committee;
 2. Measures for risk mitigation including systems and processes for internal control of identified risks;
 3. Business continuity plan.
- (d) To approve the process for risk identification and mitigation;
- (e) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
- (f) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
- (g) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (h) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- (i) To approve major decisions affecting the risk profile or exposure and give appropriate directions;
- (j) To consider the effectiveness of decision making process in crisis and emergency situations;
- (k) To balance risks and opportunities;
- (l) To generally, assist the Board in the execution of its responsibility for the governance of risk;
- (m) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (n) To consider the appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;
- (o) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- (p) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- (q) To attend to such other matters and functions as may be prescribed by the Board from time to time; and
- (r) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a resolution of our Board at their meeting held on August 5, 2014 and was reconstituted by our Board at their meeting dated June 2, 2022. The Corporate Social Responsibility Committee currently comprises the following members:

Name of Director	Position in the Committee	Designation
Resham Chhabria Jeetendra Hemdev	Chairman	Whole-Time Director (Vice Chairperson)
Vivek Anilchand Sett	Member	Independent Director
Maneck Navel Mulla	Member	Non-Independent, Non-Executive Director

The terms of reference of the Corporate Social Responsibility & Environmental, Social, and Governance Committee framed in accordance with Section 135 of the Companies Act, are as follows:

- (a) To formulate and recommend to the Board, a corporate social responsibility policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (b) Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;
- (c) To monitor the Corporate Social Responsibility Policy of the company from time to time;
- (d) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

- (e) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (f) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (g) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (h) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act;
- (i) To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;
- (j) The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:
 - (i) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
 - (ii) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;
 - (iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - (iv) monitoring and reporting mechanism for the projects or programmes; and
 - (v) details of need and impact assessment, if any, for the projects undertaken by the Company; and
- (k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.”

IPO Committee

The IPO Committee was constituted by a resolution of our Board dated June 2, 2022 and was reconstituted by our Board at their meeting dated June 20, 2022. The IPO Committee currently comprises the following members:

Name of Director	Position in the Committee	Designation
Shekhar Ramamurthy	Chairman	Whole-Time Director (Executive Deputy Chairman)
Resham Chhabria Jeetendra Hemdev	Member	Whole-Time Director (Vice Chairperson)
Maneck Navel Mulla	Member	Non-Independent, Non-Executive Director
Balaji Viswanathan Swaminathan	Member	Independent Director

The IPO Committee has been authorized to approve and decide upon all activities in connection with the Offer, including, but not limited to, to approve this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the Offer, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time. The terms of reference of the IPO Committee are as follows:

- (i) To decide, in consultation with the BRLMS, the size, timing, pricing and all other terms and conditions of the issue and transfer of the Equity Shares for the Offer, including the number of Equity Shares to be offered pursuant to the Offer (including any reservation, green shoe option and any rounding off in the event of

- oversubscription) price and any discount allowed under Applicable Laws that may be fixed and determined in accordance with the Applicable Laws, and to accept any amendments, modifications, variations, or alterations thereto;
- (ii) To amend the terms of participation by the Selling Shareholders in the Offer for Sale, including to allow revisions in the Offer for Sale portion, in accordance with Applicable Laws;
 - (iii) To decide, negotiate and finalize, in consultation with the BRLMs, all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with Investors;
 - (iv) To make applications to seek clarifications and obtain approvals from, where necessary, the SEBI, the Reserve Bank of India and any other governmental or statutory/regulatory authorities as may be required in connection with the Offer and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;
 - (v) To invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
 - (vi) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the Price Band, in accordance with the Applicable Laws;
 - (vii) To take on record the approval of the selling shareholder for offering their Equity Shares in the Offer for Sale;
 - (viii) To authorize the maintenance of a register of holders of the Equity Shares;
 - (ix) To appoint, instruct and enter into arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, advisors to the Offer, escrow collection bank(s) to the Offer, registrars to the Offer, sponsor bank, refund bank(s) to the Offer, public issue account bank(s) to the Offer, auditors to the Offer, grading agencies, industry expert, depositories, printers, monitoring agency, advertising agencies, legal counsel and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the BRLMs' mandate letter, negotiation, finalisation, execution and, if required, amendment of the Offer agreement with the BRLMs and the underwriting agreement with the underwriters;
 - (x) To negotiate, finalise, settle, execute and deliver or arrange the delivery of Offer agreement, registrar agreement, syndicate agreement, underwriting agreement, cash escrow and sponsor bank agreement, share escrow agreement, monitoring agency agreement and all other documents, deeds, agreements, memorandum of understanding, and any notices, supplements and corrigenda thereto, as may be required or desirable and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, Stock Exchanges, the BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;
 - (xi) To decide in consultation with the BRLMs and Selling Shareholders on the size, timing, pricing, discount, reservation and all the terms and conditions of the Offer, including the price band, bid period, Offer price, and to accept any amendments, modifications, variations or alterations thereto;
 - (xii) To make any alteration, addition or variation in relation to the Offer, in consultation with the BRLMs or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Offer structure and the exact component of issue of Equity Shares;
 - (xiii) To finalise, approve, adopt, file, deliver and arrange for, in consultation with the BRLMs and Selling Shareholders, submission of the draft red herring prospectus (“**DRHP**”), the red herring prospectus (“**RHP**”) and the prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient), the preliminary and final international wrap and any amendments, supplements, notices or

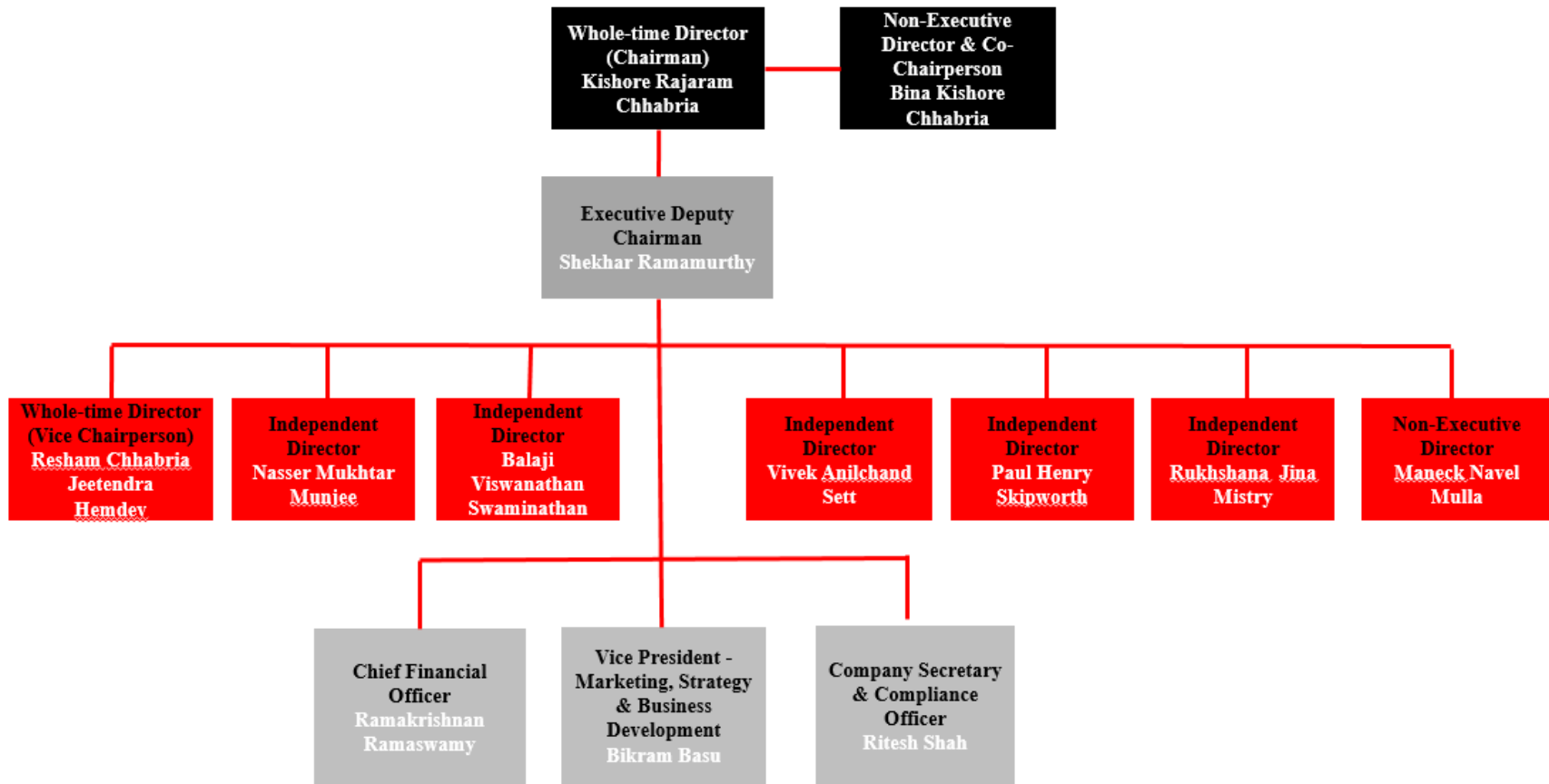
- corrigenda thereto for the issue of Equity Shares including incorporating such alterations/corrections/modifications, the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions in consultation with the BRLMs, as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities or in accordance with all Applicable Laws;
- (xiv) To approve the relevant restated financial statements to be issued in connection with the Offer;
 - (xv) To seek, if required, the consent of the lenders of the Company and its subsidiaries, industry data providers, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;
 - (xvi) To make applications to seek clarifications and obtain approvals from, if necessary, the SEBI, the Stock Exchanges, RBI, the Registrar of Companies or any other statutory or governmental authorities in connection with the Offer and, wherever necessary, incorporate such modifications/ amendments/ alterations/ corrections as may be required in the DRHP, the RHP and the prospectus;
 - (xvii) To open and operate bank account(s) of the Company in terms of the cash escrow and sponsor bank agreement, with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer as applicable and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
 - (xviii) To open with the bankers to the Issue such accounts as may be required by the regulations issued by SEBI;
 - (xix) To authorise and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;
 - (xx) To approve code of conduct as may be considered necessary or as required under Applicable Laws for the Board, officers of the Company and other employees of the Company;
 - (xxi) To authorise any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;
 - (xxii) To approve suitable policies in relation to the Offer as may be required under Applicable Laws;
 - (xxiii) To approve suitable policies on insider trading, whistle –blowing, risk management, and any other policies, as may be required under Applicable Laws and the listing agreement to be entered into by the Company with the relevant stock exchanges and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (given the proposing listing of the Company);
 - (xxiv) To approve any corporate governance requirement that may be considered necessary by the Board or the IPO Committee or as may be required under Applicable Laws, in connection with the Offer;
 - (xxv) To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale;
 - (xxvi) To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Offer in consultation with the BRLMs and any other relevant intermediaries appointed for the Offer;

- (xxvii) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act or as may be required by the regulations issued by SEBI and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (xxviii) To determine and finalise the bid opening and bid closing dates (including bid opening and closing dates for anchor investors), floor price/price band for the Offer, the Offer price for anchor investors, total number of shares to be reserved for allocation to eligible investors approve the basis for allocation/allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the prospectus, in consultation with the BRLMs and Selling Shareholders and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including any alteration, addition or making any variation in relation to the Offer;
- (xxix) To issue receipts/allotment letters/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on the Stock Exchanges, with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
- (xxx) To withdraw the DRHP or the RHP or not to proceed with the Offer at any stage, if considered necessary and expedient, in accordance with Applicable Laws and in consultation with the BRLMs;
- (xxxi) To determine the utilization of the Fresh Issue and accept and appropriate proceeds of the Fresh Issue in accordance with Applicable Laws;
- (xxxii) To make applications for listing of Equity Shares on the Stock Exchanges and to execute and to deliver or arrange the delivery of necessary documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- (xxxiii) To do all such deeds and acts as may be required to dematerialise the Equity Shares and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the afore-stated documents;
- (xxxiv) To do all such acts, deeds, matters and things and execute all such other documents, etc., as it may, in its absolute discretion, deem necessary or desirable for the Offer, in consultation with the BRLMs and Selling Shareholders, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalising the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws;
- (xxxv) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary and permissible under Applicable Laws to the officials of the Company;
- (xxxvi) To take such action, give such directions, as may be necessary or desirable as regards the Offer and to do all such acts, matters, deeds and things, including but not limited to the allotment of Equity Shares against the valid applications received in the Offer, as are in the best interests of the Company;
- (xxxvii) To approve the incurred of expenditure and payment of fees, commission, remuneration and expenses in relation to the Offer;
- (xxxviii) To negotiate, finalise, settle, execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and

any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing;

- (xxxix) To submit undertaking/certificates or provide clarifications to the Securities Exchange Board of India and the Stock Exchanges where the Equity Shares of the Company are proposed to be listed; and
- (xl) To take all other actions as may be necessary in connection with the Offer.”

Management organisation chart



Key Managerial Personnel

In addition to our whole-time directors, whose details are provided in “– *Brief profiles of our Directors*” on page 235, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

Ritesh Ramniklal Shah is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since June 15, 2015. He holds a bachelor’s degree in commerce from University of Bombay, and Bachelor of Law (LL.B.) from University of Mumbai. He is an associate member of Institute of Company Secretaries of India. Prior to joining our Company, he was associated with Firestorm Finance & Trading Private Limited, Shaw Wallace & Company Limited, United Spirits Limited and Mcdowell Holdings Limited. In Fiscal 2022, the remuneration paid to him was ₹ 7.51 million.

Ramakrishnan Ramaswamy is the Chief Financial Officer of our Company. He has been associated with our Company since May 5, 2010. He holds a bachelor’s degree in commerce from University of Bombay. He is an associate member of Institute of Chartered Accountants of India. Prior to joining our Company, he was associated with Essel Propack Limited and Jubilant Oil & Gas Private Limited. In Fiscal 2022, the remuneration paid to him was ₹22.68 million.

Bikram Basu is the Vice President – Marketing & Strategy of our Company. He has been associated with our Company since March 3, 2015. He holds a bachelor’s degree in commerce from St Xavier’s College from University of Calcutta. Prior to joining our Company, he was associated with Pernod Ricard India (P) Ltd. In Fiscal 2022, the remuneration paid to him was ₹ 13.93 million.

All our Key Managerial Personnel are permanent employees of our Company.

Service Contracts including Retirement / termination benefits

Except applicable statutory benefits, none of our Key Managerial Personnel have entered into any service contracts with the Company relating to their appointment pursuant to which they would receive any benefits on their retirement or on termination of their employment with our Company.

Relationship amongst Key Management Personnel

None of our Key Management Personnel are related to each other.

Family relationships of Directors with Key Management Personnel

There are no family relationships between any of our Directors and any of our Key Management Personnel.

Arrangements or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any Shareholders, customers or suppliers or others.

Shareholding of the Key Managerial Personnel

Except as disclosed in “*Our Management - Shareholding of the Directors in our Company*” on page 238 above, none of our Key Managerial Personnel holds any Equity Shares as on date of this Draft Red Herring Prospectus.

Contingent and deferred compensation payable to Key Managerial Personnel

There is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel

Except as mentioned above in “*Terms of Appointment of Directors*” on page 236, and performance bonus component of remuneration, our Key Managerial Personnel are not parties to any bonus or profit-sharing plan of our Company.

Interest of Key Managerial Personnel

Other than as disclosed in “*Offer Document Summary- Summary of Related Party Transactions*”, “*Financial Information – Note 47- Related Parties*” and “*-Interest of Directors*” on page 19, 324 and 238, and the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of their service our Key Managerial Personnel do not have any other interest in the Company.

No benefits in kind were granted to our Key Managerial Personnel on an individual basis by our Company for services in all capacities to our Company.

Other than as disclosed in “*Offer Document Summary- Summary of Related Party Transactions*” and “*Financial Information – Note 47 - Related Parties*” on pages 19 and 324, our Key Managerial Personnel are not interested in any contract, agreement or arrangement entered into by the Company and no payments have been made in respect of these contracts, agreements or arrangements or are proposed to be made.

Except as disclosed in this section no loans have been availed by our Key Management Personnel from the Company as on date of this Draft Red Herring Prospectus.

Changes in the Key Managerial Personnel

Other than as disclosed in “*Our Management- Changes to our Board in the last three years*” on page 239, there have been no other changes to our Key Managerial Personnel in the immediately preceding three years:

Name of Key Managerial Personnel*	Date of appointment/ change in designation/ cessation	Reason
Ramakrishnan Ramaswamy	April 1, 2022	Appointed as a Key Managerial Personnel
Paramjit Singh Gill	January 6, 2020	Resigned as a President and Chief Executive Officer

*Paramjit Singh Gill, who has been classified as a Key Management Personnel under Restated Consolidated Financial Information, had resigned vide letter dated January 6, 2020. For further information, please see “*Financial Information*” on page 324.

We believe that the attrition of the Key Managerial Personnel of our Company is not high as compared to the industry.

For more information, please see “*Risk Factors- Internal Risk Factors – 45. Our business is manpower intensive. Our business may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages across various states, and if we are unable to engage new employees at commercially attractive terms.*” on page 58.

Payment or Benefit to Key Managerial Personnel of our Company (non-salary related)

No amount or benefit has been paid or given in the two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to any officer of our Company, including our directors and Key Managerial Personnel.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

As on the date of this Draft Red Herring Prospectus, Kishore Rajaram Chhabria, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited and Officer’s Choice Spirits Private Limited are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters’ shareholding in our Company is as follows:

Sr. No.	Name of the Promoter	No. of Equity Shares held	% of pre-Offer issued, subscribed and paid-up Equity Share capital
1.	Kishore Rajaram Chhabria	Nil	Nil
2.	Bina Kishore Chhabria	127,428,650	52.20
3.	Resham Chhabria Jeetendra Hemdev	58,714,320	24.05
4.	Bina Chhabria Enterprises Private Limited	141,094	0.06
5.	BKC Enterprises Private Limited	1	Negligible
6.	Oriental Radios Private Limited	9,113,665	3.73
7.	Officer’s Choice Spirits Private Limited	1,615	Negligible
Total		195,399,345	80.04

For details of the build-up of the Promoter’s shareholding in our Company, see “*Capital Structure – Details of Shareholding of our Promoters, members of the Promoter Group in our Company*”, on page 107.

Details of our Promoters

1. Kishore Rajaram Chhabria



Kishore Rajaram Chhabria, aged 67 years, is one of our Promoters and is also the Whole-Time Director (Chairman) on our Board. For the complete profile of Kishore Rajaram Chhabria along with details of his date of birth, address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see “*Our Management – Board of Directors*” on page 231.

His permanent account number is ‘AAAPC7988F’.

2. Bina Kishore Chhabria



Bina Kishore Chhabria, aged 64 years, is one of our Promoters and is also the Non-Executive Director and Co-Chairperson on our Board. For the complete profile of Bina Kishore Chhabria along with details of her date of birth, address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see “*Our Management – Board of Directors*” on page 231.

Her permanent account number is ‘AACPC4625Q’

3. Resham Chhabria Jeetendra Hemdev



Resham Chhabria Jeetendra Hemdev, aged 44 years, is one of our Promoters and is the Whole-Time Director (Vice Chairperson) our Board. For the complete profile of Resham Chhabria Jeetendra Hemdev along with details of her date of birth, address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see “*Our Management – Board of Directors*” on page 232.

Her permanent account number is ‘AAFPC6527P’.

4. Bina Chhabria Enterprises Private Limited

Bina Chhabria Enterprises Private Limited was incorporated as a private company under the Companies Act, 1956, and a certificate of incorporation, dated July 16, 2009 was issued by the Registrar of Companies, Maharashtra at Mumbai. The registered office of Bina Chhabria Enterprises Private Limited is situated at 394-C, Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

The CIN of Bina Chhabria Enterprises Private Limited is ‘U45200MH2009PTC194129.’

Bina Chhabria Enterprises Private Limited is currently engaged in the business of sale and purchase of properties which also includes working as builder, developer, civil contractor, construction activities, etc. It is also engaged in the business of trading in securities in India and elsewhere.

There has been no change in activities since the incorporation of Bina Chhabria Enterprises Private Limited.

The promoters of Bina Chhabria Enterprises Private Limited are Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev and Neesha Kishore Chhabria.

The directors on the board of directors of Bina Chhabria Enterprises Private Limited are:

S. No.	Name of Director	Designation
1.	Sunil Mohandas Kripalani	Director (Non-Independent and Non-Executive)
2.	Bina Kishore Chhabria	Director (Non-Independent and Non-Executive)
3.	Atit Kishore Dalal	Director (Non-Independent and Non-Executive)

Change in control

There has been no change in the control of Bina Chhabria Enterprises Private Limited in the three years immediately preceding the filing of this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of Bina Chhabria Enterprises Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of Shareholder	No. of shares held	Percentage of issued and paid-up share capital (%)
Equity shares of face value of ₹ 10 each			
1.	Bina Kishore Chhabria	5,000	50.00
2.	Resham Chhabria Jeetendra Hemdev	2,500	25.00
3.	Neesha Kishore Chhabria	2,500	25.00
Total		10,000	100.00
Preference shares of face value of ₹ 10 each			
1.	Tracstar Investments Private Limited	1,309,100	100.00
Total		1,309,100	100.00

5. BKC Enterprises Private Limited

BKC Enterprises Private Limited was incorporated as a private company under the Companies Act, 2013, and a certificate of incorporation, dated September 24, 2018 was issued by the Registrar of Companies, Maharashtra at Mumbai. The registered office of BKC Enterprises Private Limited is situated at 394-C, Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

The CIN of BKC Enterprises Private Limited is 'U70109MH2018PTC314612'.

BKC Enterprises Private Limited is currently engaged in the business of sale and purchase of properties which also includes working as builder, developer, civil contractor, construction activities, etc. It is also engaged in the business of trading in securities in India and elsewhere. Further, BKC Enterprises Private Limited also act as a consultant and provides various services such as management, legal, industrial, commercial, real estate, etc. Furthermore, it is in the business of marketing, distribution and brand development of Indian manufactured foreign liquor, beer, gin, brandy and other spirits.

There has been no change in activities since the incorporation of BKC Enterprises Private Limited.

The promoters of BKC Enterprises Private Limited are Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev and Neesha Kishore Chhabria.

The directors on the board of directors of BKC Enterprises Private Limited are:

S. No.	Name of Director	Designation
1.	Sunil Mohandas Kripalani	Director (Non-Independent and Non-Executive)
2.	Resham Chhabria Jeetendra Hemdev	Director (Non-Independent and Non-Executive)
3.	Kishore Rajaram Chhabria	Director (Non-Independent and Non-Executive)
4.	Kishore Mohandas Keswani	Director (Non-Independent and Non-Executive)

Change in control

There has been no change in the control of BKC Enterprises Private Limited in the three years immediately preceding the filing of this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of BKC Enterprises Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of Shareholder	No. of equity shares of face value of ₹ 10	Percentage of issued and paid-up share capital (%)
1.	Bina Kishore Chhabria	5,000	50.00
2.	Resham Chhabria Jeetendra Hemdev	2,500	25.00
3.	Neesha Kishore Chhabria	2,500	25.00
Total		10,000	100.00

6. Oriental Radios Private Limited

Oriental Radios Private Limited was incorporated as a private company under the Companies Act, 1913, and a certificate of incorporation, dated March 25, 1938, was issued by the Registrar of Companies, Maharashtra at Mumbai. The registered office of Oriental Radios Private Limited is situated at 394-C, Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

The CIN of Oriental Radios Private Limited is 'U32200MH1938PTC002773'.

Among other activities, Oriental Radios Private Limited is currently engaged in the business of manufacturing, buying, selling, hiring, letting on lease or hire-purchase and otherwise dealing as proprietors or managers of the business in radios, radiogrammes, gramophones, television radios, etc. It is also engaged in the business of purchase, sale, leasing and development of land and buildings.

There has been no change in activities since the incorporation of Oriental Radios Private Limited.

The promoters of Oriental Radios Private Limited are Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev and Neesha Kishore Chhabria.

The directors on the board of directors of Oriental Radios Private Limited are:

S. No.	Name of Director	Designation
1.	Sunil Mohandas Kripalani	Director (Non-Independent and Non- Executive)
2.	Ratan Lal Jain	Director (Non-Independent and Non- Executive)
3.	Ramesh Bhailabhai Deshmukh	Director (Non-Independent and Non- Executive)
4.	Atit Kishore Dalal	Director (Non-Independent and Non- Executive)

Change in control

There has been no change in the control of Oriental Radios Private Limited in the three years immediately preceding the filing of this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of Oriental Radios Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of Shareholder	No. of shares held	Percentage of issued and paid-up share capital (%)
Equity shares of face value of ₹ 100 each			
1.	Bina Kishore Chhabria	1,466	50.04
2.	Resham Chhabria Jeetendra Hemdev	732	24.98
3.	Neesha Kishore Chhabria	732	24.98
	Total	2,930	100.00
Preference shares of face value of ₹ 100 each			
1.	Tracstar Investments Private Limited	1,139,210	100.00
	Total	1,139,210	100.00

7. Officer's Choice Spirits Private Limited

Officer's Choice Spirits Private Limited was incorporated as a private company under the Companies Act, 1956, and a certificate of incorporation, dated June 8, 2005, was issued by the Registrar of Companies, Maharashtra at Mumbai. The registered office of Officer's Choice Spirits Private Limited is situated at 394-C, Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

The CIN of Officer's Choice Spirits Private Limited is 'U15500MH2005PTC153854'.

Officer's Choice Spirits Private Limited is currently engaged in the business of brewers, distillers, bottlers, merchants, dealers for the processing, manufacturing, distilling, preparing, refining, blending, storing, maturing, producing, importing, exporting, and dealing in wines, spirits, liquor, gin, whiskey, brandy, porters, rum, beer, as well as promoting the quality, sales, and prestige of any of the products and business handled by the Company.

There has been no change in activities since the incorporation of Officer's Choice Spirits Private Limited.

The promoters of Officer's Choice Spirits Private Limited are Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev and Neesha Kishore Chhabria.

The directors on the board of directors of Officer's Choice Spirits Private Limited are:

S. No.	Name of Director	Designation
1.	Sunil Mohandas Kripalani	Director (Non-Independent and Non- Executive)
2.	Amit Jain	Director (Non-Independent and Non- Executive)
3.	Ramesh Bhailabhai Deshmukh	Director (Non-Independent and Non- Executive)

Change in control

There has been no change in the control of Officer's Choice Spirits Private Limited in the three years immediately preceding the filing of this Draft Red Herring Prospectus.

Shareholding pattern

The shareholding pattern of Officer's Choice Spirits Private Limited as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of Shareholder	No. of shares held	Percentage of issued and paid-up share capital (%)
Equity shares of face value of ₹ 10 each			
1.	Bina Kishore Chhabria	5,000	50.00
2.	Resham Chhabria Jeetendra Hemdev	2,500	25.00
3.	Neesha Kishore Chhabria	2,500	25.00
Total		10,000	100.00
Preference shares of face value of ₹ 10 each			
1.	Tracstar Investments Private Limited	5,155,400	100.00
Total		5,155,400	100.00

Our Company confirms that the permanent account numbers, Aadhaar card numbers, driving license numbers, bank account numbers and the passport numbers of Kishore Rajaram Chhabria, Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev, as applicable, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus. In addition, our Company confirms that the permanent account number, bank account number and company registration number, of Bina Chhabria Enterprises Private Limited, Oriental Radios Private Limited, Officer's Choice Spirits Private Limited and BKC Enterprises Private Limited along with the address of the registrar

of companies where they are registered, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

Changes in control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus. However, there has been a change in the promoters of our Company, as stated below:

While Neesha K Chhabria and Ashoka Liquors Private Limited were earlier identified as promoters of our Company in the annual return (Form MGT-7) filed for Fiscal 2021 and Mr. Deepak Shashibhusan Roy, one our erstwhile directors, was identified as a promoter of our Company in the extract of the annual return (Form MGT-9) filed for Fiscal 2021, the Board has, by way of its resolution dated June 13, 2022, identified only the following individuals and entities as Promoters: Kishore Rajaram Chhabria, Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited and Officer's Choice Spirits Private Limited. This has also been communicated to the RoC by way of our clarification letter dated June 13, 2022 filed with the RoC.

Other ventures of our Promoters

Except as disclosed below in “- *Interest of our Promoters*”, our Promoters are not involved in any other venture which is in the same line of activity or business as that of our Company.

Interest of our Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding in our Company, their directorship in our Company and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company, the shareholding of their relatives in our Company, or the shareholding of entities in which our Promoters are interested, in our Company. For details of the shareholding of our Promoters in our Company, see “*Capital Structure*” beginning on page 107.

Further, our Promoters are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see “*Financial Information - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 47- Related party disclosures, as per IND AS 24*” beginning on page 324.

Kishore Rajaram Chhabria, Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev may also be deemed to be interested to the extent of remuneration, benefits, reimbursement of expenses, and commission payable to them as Directors on our Board and payable to relatives of Directors. Further, Kishore Rajaram Chhabria and Resham Chhabria Jeetendra Hemdev may also be deemed to be interested to the extent of remuneration and benefits payable to them in their capacity as employees and Key Managerial Personnel of our Company. For further details, see “*Our Management*” beginning on page 231 and see “*Financial Information - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 47- Related party disclosures, as per IND AS 24*” beginning on page 324.

Except as disclosed in “*Risk Factors – Internal Risk Factors – 28. Certain of our properties, including our Registered Office and bottling facilities are on leased and leave and licensed basis. If we fail to renew these leases on competitive terms or if we are unable to manage our lease rental costs, our results of operations would be materially and adversely affected*” on page 52, in relation to the settlement terms pursuant to which our Company and certain of our Promoters, namely, Bina Chhabria Enterprises Private Limited, BKC Enterprises Private Limited, Oriental Radios Private Limited and Officer's Choice Spirits Private Limited, as well as certain Subsidiaries, Group Companies, and ABD LLP have the same registered office, none of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus.

Our Promoters are not interested in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Except to the extent of the shareholding in and promotion by Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev of certain of our Corporate Promoters as stated above in “*Our Promoter and Promoter Group – Details of our Promoters*” at page 257, our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any of our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Except for: (i) Chitwan Blenders & Bottlers Private Limited, Deccan Star Distilleries India Private Limited, NV Distilleries & Breweries (AP) Private Limited and Sarthak Blenders & Bottlers Private Limited, which are some of our Subsidiaries and which have certain common pursuits with the Company as stated in “*Our Subsidiaries – Common Pursuits*” at page 229, and where Bina Chhabria Enterprises Private Limited, one of our Corporate Promoters, holds Equity Shares; (ii) Ashoka Liquors Private Limited, Tracstar Distilleries Private Limited, and Power Brands Enterprises India Private Limited, which are some of our Group Companies and which have certain common pursuits with the Company as stated in “*Our Group Companies - Common Pursuits between our Group Companies and our Company*” at page 269, and where Bina Kishore Chhabria, Resham Chhabria Jeetendra Hemdev, and Bina Chhabria Enterprises Private Limited, certain of our Promoters hold shares; (iii) Officer’s Choice Private Limited, one of our Promoters and which has certain common pursuits with the Company, and whose promoters include Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev; (iv) BKC Enterprises Private Limited, one of our Promoters and which has certain common pursuits with the Company, and whose promoters include Kishore Rajaram Chhabria and Resham Chhabria Jeetendra Hemdev, and (v) Iconiq Brands India Private Limited and BDA Private Limited, certain members of our Promoter Group which have certain common pursuits with the Company, and where Bina Kishore Chhabria and Resham Chhabria Jeetendra Hemdev, and (vi) BDA Private Limited (which is also a subsidiary of one of our Promoters, Officer’s Choice Spirits Private Limited), Ashoka Liquors Private Limited and Tracstar Distilleries Private Limited, where Kishore Rajaram Chhabria, one of our Promoters, is a director, certain of our Promoters hold shares, our Promoters do not have any interest in any venture that is involved in any activities similar to those of our Company. However, these businesses of our Promoters do not compete with our Company, and accordingly there is no conflict of interest. Further, our Company and our Promoters will adopt necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Payment or Benefits to Promoters or Promoter Group

Except as stated in “*Financial Information - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 47- Related party disclosures, as per IND AS 24*” and “*Our Management*” at page 324 and 231, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Companies or firms with which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of the Draft Red Herring Prospectus.

Confirmations

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital markets by SEBI or any other regulatory or governmental authorities.

Our Promoters are not a promoter of any other Company which is debarred from accessing capital markets.

Our Promoters have not been declared as wilful defaulters or fraudulent borrowers as defined under the SEBI ICDR Regulations.

None of our Promoters have been declared as a fugitive economic offender in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018.

Except as disclosed in ‘*Outstanding Litigation and Material Developments*’ on page 410, there are no legal regulatory proceedings involving our Promoters as on the date of this Draft Red Herring Prospectus.

Material guarantees

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

Promoter Group

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations except the Promoters are set out below:

Natural persons forming part of our Promoter Group:

Sr. No.	Name of the individuals	Relationship
<i>Kishore Rajaram Chhabria</i>		
1.	Shyam Luthria	Spouse’s brother
2.	Rajni K Chhabria	Spouse’s sister
3.	Bina Kishore Chhabria	Spouse
4.	Neesha Kishore Chhabria	Daughter
5.	Resham Chhabria Jeetendra Hemdev	Daughter
<i>Bina Kishore Chhabria</i>		
6.	Shyam Luthria	Brother
7.	Rajni K Chhabria	Sister
8.	Kishore Rajaram Chhabria	Spouse
9.	Neesha Kishore Chhabria	Daughter
10.	Resham Chhabria Jeetendra Hemdev	Daughter
<i>Resham Chhabria Jeetendra Hemdev</i>		
11.	Kishore Rajaram Chhabria	Father
12.	Bina Kishore Chhabria	Mother
13.	Jeetendra A Hemdev	Spouse
14.	Om Jeetendra Hemdev	Son
15.	Amar Ghanasingh Hemdev	Spouse’s father
16.	Anju Amar Hemdev	Spouse’s mother
17.	Preeti Shah	Spouse’s sister
18.	Neesha Kishore Chhabria	Sister

Entities forming part of our Promoter Group (other than our Promoters):

Sr. No.	Name of the entities
<i>Corporate Entities</i>	
1.	Ashoka Liquors Private Limited
2.	Power Brands Enterprises India Private Limited
3.	Luminary Properties Private Limited
4.	BDA Private Limited
5.	Kedareshwar Properties Private Limited
6.	Madhvi Properties Private Limited
7.	Marleshwar Properties Private Limited
8.	Matangi Realtors Private Limited
9.	S. T. Holdings Private Limited

Sr. No.	Name of the entities
10.	Someswar Realtors Private Limited
11.	Sureshwar Realtors Private Limited
12.	Tracstar Investments Private Limited
13.	ABD Estates Private Limited
14.	ABD Homes Private Limited
15.	ABD Realtors Private Limited
16.	Ballet Properties And Trading Private Limited
17.	Benco Properties Private Limited
18.	BKC Abode Private Limited
19.	BKC Dwellings Private Limited
20.	BKC Estates Private Limited
21.	BKC Trading Private Limited
22.	Borank Enterprises Private Limited
23.	Dropadi Estates Private Limited
24.	Giribala Properties Private Limited
25.	Iconiq Brands India Private Limited
26.	Iconiq Spirits India Private Limited
27.	Jive Properties And Trading Company Private Limited
28.	Kamla Realtors Private Limited
29.	Kapardi Finvest Private Limited
30.	Karbon Enterprises Private Limited
31.	Kartik Finance And Investments Private Limited
32.	Krabon Enterprises Private Limited
33.	Lachmandas Properties Private Limited
34.	Lajwanti Properties Private Limited
35.	Manoharlal Realtors Private Limited
36.	Marengo Investment & Trading Company Private Limited
37.	Marengo Trading And Properties Private Limited
38.	Nebraska Enterprises Private Limited
39.	Netravathi Estates Private Limited
40.	Rajaram Properties Private Limited
41.	Ranibai Realtors Private Limited
42.	Rayonyarns Import Company Private Limited
43.	Royal Spirits Private Limited
44.	Sangmeshwar Realtors Private Limited
45.	Shree Emati Investment Private Limited
46.	Starvoice Investments Private Limited
47.	Starvoice Properties Private Limited
48.	Starvoice Trading Private Limited
49.	Tracstar Distilleries Private Limited
50.	Woodpecker Investments Private Limited
51.	Woodpecker Properties Private Limited
52.	Tripureshwari Properties Private Limited
53.	Raja Radios (Proprietorship concern)
54.	Amar Ghanasingh (Partnership Concern)
55.	A.G. Hospitality (Partnership Concern)
56.	BKC Family Trust- I
57.	BKC Family Trust- II
58.	Resham Family Trust
59.	Neesha Family Trust

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term ‘group companies’, includes (i) such companies (other than promoter(s) and subsidiary(ies)) (if any) with which the issuer company had related party transactions during the period for which financial information is disclosed in the relevant offer document, as covered under applicable accounting standards, and (ii) any other companies considered “material” by our Board.

Accordingly, for the purposes of (i) above, all such companies (other than the Corporate Promoters and Subsidiaries) with which there were related party transactions during the periods covered in the Restated Consolidated Financial Information, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

In addition, for the purposes of (ii) above, a company (other than the Corporate Promoters and the Subsidiaries and companies categorized under (i) above) shall be considered “material” and will be disclosed as a ‘Group Company’ in the Offer Documents if such companies (a) currently form part of the Promoter Group, and (b) entered into transaction(s) with the Company in the most recent financial year (or relevant sub period, if applicable), which individually or in the aggregate, exceed 5% of the total consolidated restated revenue from operations of the Company as per the most recent financial year as per the Restated Consolidated Financial Information.

Accordingly, on the basis of the Materiality Policy for identification of Group Companies, the following companies have been identified as our Group Companies (“**Group Companies**”):

1. Surji Agro Foods Private Limited
2. Tracstar Investments Private Limited
3. Surji Consultants (India) Private Limited
4. Marketing Incorporated Private Limited
5. Spiritus Private Limited
6. Starvoice Properties Private Limited
7. Power Brands Enterprises India Private Limited
8. Pitambari Properties Private Limited
9. Lalita Properties Private Limited
10. Bhuneshwari Properties Private Limited
11. Ashoka Liquors Private Limited
12. Rayonyarns Import Company Private Limited
13. Tracstar Distilleries Private Limited
14. Woodpecker Investments Private Limited
15. NBB Consulting Ltd.

Further, for the purposes of identification as group companies, Henkell & Company India Private Limited, ABD Dwellings Private Limited and Madanlal Estates Private Limited have not been considered as they became subsidiaries of the Company on March 27, 2019, July 15, 2021, and July 15, 2021 respectively.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Companies for the previous three financial years, extracted from their respective audited financial statements (as applicable) are available at the respective websites indicated below.

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. None of our Company, the BRLMs or any of the Company’s or the BRLMs’ respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below.

A. Details of our top 5 Group Companies*

1. Surji Agro Foods Private Limited (“SAFPL”)

Corporate Information

The registered office of SAFPL is located at Poddar Point, 113 Park Street, B-Block, 8th Floor, Kolkata- 700016, West Bengal.

Financial Information

The financial information derived from the audited financial statements of SAFPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.abdindia.com/investor-relations/financial-information/group-company-financials/>.

2. Tracstar Investments Private Limited (“TIPL”)

Corporate Information

The registered office of TIPL is located at 394-C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

Financial Information

The financial information derived from the audited financial statements of TIPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.abdindia.com/investor-relations/financial-information/group-company-financials/>.

3. Surji Consultants (India) Private Limited (“SCIPL”)

Corporate Information

The registered office of SCIPL is located at Poddar Point, 113 Park Street, Block, 8th Floor, Kolkata- 700016, West Bengal.

Financial Information

The financial information derived from the audited financial statements of SCIPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.abdindia.com/investor-relations/financial-information/group-company-financials/>.

4. Power Brands Enterprises India Private Limited (“PBEIPL”)

Corporate Information

The registered office of PBEIPL is located at 394-C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra

Financial Information

The financial information derived from the audited financial statements of PBEIPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.abdindia.com/investor-relations/financial-information/group-company-financials/>.

5. Starvoice Properties Private Limited (“SPPL”)

Corporate Information

The registered office of SPPL is located at 394-C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

Financial Information

The financial information derived from the audited financial statements of SPPL for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 are available at <https://www.abdindia.com/investor-relations/financial-information/group-company-financials/>.

**Surji Agro Foods Private Limited, Power Brand Enterprises Private Limited and Surji Consultants (India) Private Limited have been identified on the basis of turnover for Financial Year ended March 31, 2021. While Tracstar Investments Private Limited and Starvoice Properties Private Limited have been identified on the basis of highest average total income of last three Fiscals, i.e. Fiscal 2019, 2020 and 2021, since these companies did not have turnover for Financial Year ended March 31, 2021.*

B. Details of other Group Companies

1. Spiritus Private Limited (“SPL”)

Corporate Information

The registered office of SPL is located at 113, Park Street, Kolkata- 700016, West Bengal.

2. Marketing Incorporated Private Limited (“MIPL”)

Corporate Information

The registered office of MIPL is located at 113 Park Street, Kolkata- 700016, West Bengal.

3. Pitambari Properties Private Limited (“PPPL”)

Corporate Information

The registered office of PPPL is located at 394-C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

4. Lalita Properties Private Limited (“LPPL”)

Corporate Information

The registered office of LPPL is located at 394-C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

5. Bhuneshwari Properties Private Limited (“BPPL”)

Corporate Information

The registered office of BPPL is located at 394 C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

6. Ashoka Liquors Private Limited (“ALPL”)

Corporate Information

The registered office of ALPL is located at 394-C Lamington Chambers, Lamington Road, Mumbai- 400004,

Maharashtra.

7. Rayonyarns Import Company Private Limited (“RICPL”)

Corporate Information

The registered office of RICPL is located at Khetan Bhawan, 198 J, Tata Road, Mumbai- 400020, Maharashtra.

8. Tracstar Distilleries Private Limited (“TDPL”)

Corporate Information

The registered office of TDPL is located at 394 C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

9. Woodpecker Investments Private Limited (“WIPL”)

Corporate Information

The registered office of WIPL is located at 394 C Lamington Chambers, Lamington Road, Mumbai- 400004, Maharashtra.

10. NBB Consulting Ltd. (“NBB Consultants”)

Corporate Information

The registered office of NBB Consultants is located at Caledonia House, 89 Seaward Street, Glasgow, Scotland, G41 1HJ.

C. Litigation

Our Group Companies are not party to any litigation which may have material impact on our Company.

D. Common pursuits between our Group Companies and our Company

Except for ALPL, PBEIPL and TDPL, none of our Group Company have common pursuits similar to that of our Company. For further details, see “*Financial Information - Restated Financial Statements - Notes to Restated Financial Statements- Note 47- Related party disclosures, as per IND AS 24*” at page 324. While ALPL, PBEIPL, and TDPL have certain common objects as that of our Company, they are not engaged in any active business. We shall adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise.

E. Related business transactions within our Group Companies and significance on the financial performance of the Company

Other than the transactions disclosed in the section “*Financial Information*” and “*Summary of the Offer Document - Summary of Related Party Transactions*” beginning on pages 272 and 19, there are no other related business transactions between the Group Companies and our Company.

F. Business interests of our Group Companies in our Company

Except as disclosed in the section “*Financial Information - Restated Consolidated Financial Information - Notes to Restated Consolidated Financial Information - Note 47- Related party disclosures, as per IND AS 24*” at page 324, our Group Companies do not have or propose to have any business interest in our Company.

G. Nature and extent of interest of our Group Companies

a) In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

b) In the properties acquired by our Company in the past three years prior to filing this Draft Red Herring Prospectus or proposed to be acquired by it.

Our Group Companies are not interested in the properties acquired by our Company in the past three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

c) In transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transactions for acquisition of land, construction of building or supply of machinery with our Company.

H. Other Confirmations

The equity shares of our Group Companies are not listed on any stock exchange. Our Group Companies have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus. For further details, please see the section “*Other Regulatory and Statutory Disclosures- Capital issue during the previous three years by our Company, the listed group companies, subsidiaries or associates of our Company*” beginning on page 432.

None of the securities of our Group Companies have been refused listing by any stock exchange in India or abroad during last ten years, nor have our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

Except as disclosed below, there are no material existing or anticipated transactions in relation to the utilisation of the Offer Proceeds or project cost with our Group Companies:

- I.** By way of the supplemental mortgage deed dated September 19, 2019, ALPL has mortgaged certain immovable properties in favour of Aditya Birla Finance Limited (“**ABFL**”), as security for the loan availed by our Company from ABFL and which is proposed to be repaid using the proceeds of the Offer. Further, TDPL has: (i) mortgaged certain immovable properties in favour of Axis Bank Limited, South Indian Bank, Yes Bank Limited, Standard Chartered Bank, State Bank of India, Saraswat Bank and other lender(s) (collectively, “**Lenders**”) by way of the memorandum of entry for deposit of title deeds and recording equitable mortgage dated May 9, 2019, and (ii) provided corporate guarantee in favour of these Lenders, as security for the loan availed by our Company from these Lenders and a portion of which is proposed to be repaid using the proceeds of the Offer.

DIVIDEND POLICY

The Board of Directors at its meeting held on June 23, 2022 have adopted a Dividend Distribution Policy (“**the Policy**”). In terms of the Policy, the Board of Directors shall endeavor to maintain the Dividend Payout Ratio* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% or more of our Company’s consolidated profit after tax or more, subject to our Company’s need for capital for its growth plan and positive cash flow. The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act.

The quantum of dividend, if any, and our ability to pay dividends will depend on a number of factors, including, but not limited to, our Company’s profits, past dividend trends, capital requirements, financial commitments and financial requirements including business expansion plans, applicable legal restrictions and other factors considered relevant by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business. In a year where the profits of our Company are inadequate or there is a loss, our Company would like to utilise the reserves judiciously and the Board may not consider payment of dividend as a viable proposition.

Our Company has not declared any dividend on the Equity Shares of our Company in Fiscals 2019, 2020 and 2021 and the nine month period ended December 31, 2021 and until the date of this Draft Red Herring Prospectus. However, this is not necessarily indicative of any dividend declaration or the quantum of our Company’s dividend, in the future. Please see, “*Risk Factors – Internal Risk Factors – 61. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.*” on page 65.

** To be reviewed every two to three years, if need be.*

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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The Board of Directors
Allied Blenders and Distillers Limited
(Formerly known as Allied Blenders and Distillers Private Limited)
Ashford Centre, 3rd and 4th floor,
Shankarrao Naram Marg,
Lower Parel (West)
Mumbai – 400 013
Maharashtra, India

Dear Sirs,

INDEPENDENT AUDITOR’S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

1. We have examined the attached Restated Consolidated Financial Information of Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited) (the “Company”) and its subsidiaries, (together referred to as the “Group”), its associate and its joint venture (as listed in Appendix 1) comprising the Restated Consolidated Statement of Assets and Liabilities (Balance sheet) as at 31 December 2021, 31 March 2021, 2020 and 2019, the Restated Consolidated Statement of Profit and Loss including other comprehensive income, the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the nine months period ended 31 December 2021 and for the years ended 31 March 2021, 2020 and 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the “Restated Consolidated Financial Information”, as approved by the Board of Directors of the Company at their meeting held on 13 June 2022 for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP”) prepared by the Company in connection with its proposed Initial Public Offer of equity shares (“IPO”) prepared in terms of the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “Act”);
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”); and
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (the “SEBI”), National Stock Exchange of India Limited and BSE Limited (the “Stock Exchanges”) in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2(a) to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group and of its associate and joint venture responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 15 March 2022 in connection with the proposed IPO of equity shares of the Company;

- b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Consolidated Financial Information have been compiled by the management from:
 - a. Audited special purpose interim consolidated Ind AS financial statements of the Group as at and for the nine months period ended 31 December 2021 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on 13 June 2022.
 - b. Audited Consolidated Ind AS financial statements of the Group as at and for the year ended 31 March 2021, 2020 and 2019 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on 19 July 2021, 01 December 2020 and 24 September 2019.
 5. For the purpose of our examination, we have relied on:
 - a. Auditors' reports issued by us dated 13 June 2022 on the Special Purpose Interim consolidated financial statements of the Group as at and for the nine months period ended 31 December 2021 as referred in Paragraph [4a] above;
 - b. Auditors' reports issued by us dated 20 July 2021 and 01 December 2020 on the consolidated financial statements of the Group as at and for the year ended 31 March 2021 and 31 March 2020 respectively as referred in Paragraph [4b] above; and
 - c. Auditors' reports issued jointly by us and the other auditor Ford Rhodes Parks & Co LLP dated 24 September 2019 on the consolidated financial statements of the Group, its associate and its joint venture as at and for the year ended 31 March as referred in Paragraph [4b] above
 6. The audit reports on the consolidated financial statements issued by us includes following emphasis on matters paragraph on the consolidated financial statements as at and for the years ended 31 March 2021, 2019 and 2020:

Financial Year 2020-21

Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (n) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to Rs. 340.30 million as at 31 March 2021, which have been withheld by the customer pursuant to a debit memorandum amounting to Rs. 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer

during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.

Financial Year 2019-20

Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (o) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to Rs. 340.30 million as at 31 March 2020, which have been withheld by the customer pursuant to a debit memorandum amounting to Rs. 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.

Financial Year 2018-19

Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to Note 46(p) of the consolidated financial statements which indicates that the Company is in the process of recovering dues receivable from a customer – Canteen Store Department, amounting to ₹366.14 million which have been withheld by the customer pursuant to a debit memorandum amounting to ₹366.14 million raised on the Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Company. Our opinion is not modified in respect of this matter.

7. As indicated in our audit reports referred above:
- a. we did not audit financial statements of certain subsidiaries (Refer Appendix 1) and one Joint venture whose share of total assets, total revenues, net cash inflows / (outflows) and share of profit/ loss in its joint ventures included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors as mentioned in Annexure I, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(₹ in million)

Particulars	As at/ for the nine months period ended 31 December 2021	As at and for the year ended		
		31 March 2021	31 March 2020	31 March 2019
Total assets	1,101.45	240.57	277.78	355.79
Total revenues	2.89	5.59	8.20	84.61
Net cash inflow/ (outflows)	(202.37)	(0.03)	0.59	4.51
Share of profit/ loss in its joint ventures (including other comprehensive income)	NA	NA	NA	Nil

- b. Further, of these subsidiaries and joint venture, the joint venture is located outside India whose financial statements and other financial information as at and for the year ended 31

March 2019 have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective country. The Holding Company's management has converted the financial statements of such joint venture located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the balances and affairs of such joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

- c. We did not audit the financial statements of one associate, whose financial statements reflects total assets of ₹314.95 million as at 31 March 2019, total revenues of ₹205.24 million and net cash inflows amounting to ₹2.41 million for the year ended on that date. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹2.67 million for the year ended 31 March 2019, as considered in the consolidated financial statements, in respect of the associate whose financial statements have not been audited by us. This financial information is unaudited and has been furnished to us by the management and our opinion on the consolidated financial statements and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of these matters.

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
 - a. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the nine months period ended 31 December 2021;
 - b. do not require any adjustments for the emphasis of matters giving rise to modifications mentioned in paragraph [6] above]; and
 - c. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim consolidated Ind AS financial statements and audited consolidated financial statements mentioned in paragraph [4] above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE

Limited (the “Stock Exchanges”) in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Adi P. Sethna

Partner
Membership Number: 108840
UDIN: **22108840AKVGUD8737**
Place: Mumbai
Date: 13 June 2022

APPENDIX 1 TO INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

Nine months ended 31 December 2021	Relation	Name of auditors
NV Distillers & Breweries (AP) Private limited	Subsidiary	Ashok T. Kukreja & Co.
Deccan Star Distillers Private Limited	Subsidiary	R.U.Kamath & Co.
Sarthak Blenders and Bottlers Private Limited	Subsidiary	Vipin Nagar & Co.
Chitwan Blenders and Bottlers Private Limited	Subsidiary	S.Sannigrahi & Co.
ABD Dwellings Private Limited	Subsidiary	R.U.Kamath & Co.
Madanlal Estates Private Limited	Subsidiary	R.U.Kamath & Co.

Year ended 31 March 2021	Relation	Name of auditors
NV Distillers & Breweries (AP) Private limited	Subsidiary	Ashok T. Kukreja & Co.
Deccan Star Distillers Private Limited	Subsidiary	R.U.Kamath & Co.
Sarthak Blenders and Bottlers Private Limited	Subsidiary	Vipin Nagar & Co.
Chitwan Blenders and Bottlers Private Limited	Subsidiary	S.Sannigrahi & Co.

Year ended 31 March 2020	Relation	Name of auditors
NV Distillers & Breweries (AP) Private limited	Subsidiary	Ashok T. Kukreja & Co.
Deccan Star Distillers Private Limited	Subsidiary	Ashok T. Kukreja & Co.
Sarthak Blenders and Bottlers Private Limited	Subsidiary	Vipin Nagar & Co.
Chitwan Blenders and Bottlers Private Limited	Subsidiary	S.Sannigrahi & Co.

Year ended 31 March 2019	Relation	Name of auditors
NV Distillers & Breweries (AP) Private limited	Subsidiary	Ashok T. Kukreja & Co.
Deccan Star Distillers Private Limited	Subsidiary	Ashok T. Kukreja & Co.
Sarthak Blenders and Bottlers Private Limited	Subsidiary	Vipin Nagar & Co.
Chitwan Blenders and Bottlers Private Limited	Subsidiary	S.Sannigrahi & Co.
Henkell & Company India Private Limited	Subsidiary	Ashok T. Kukreja & Co.
Allied Blenders and Distillers International General Trading LLC	Joint Venture	RNG Auditors
Surji Agro Foods Private Limited	Associate	Unaudited

(₹ in million)

Particulars	Notes	As at	As at	As at	As at
		31 December 2021	31 March 2021	31 March 2020	31 March 2019
ASSETS					
I Non-current assets					
Property, plant and equipment	5	5,056.69	4,463.03	4,355.30	4,767.17
Capital work-in-progress	5A	135.04	169.34	477.18	334.97
Right of use assets	6	1,331.07	1,362.03	1,347.38	1,390.04
Goodwill	7	38.54	38.54	38.54	38.54
Other intangible assets	7	626.22	629.65	613.98	632.32
Intangibles under development	7A	-	-	-	0.45
Financial assets					
(i) Investments	8B	0.04	221.08	0.04	0.04
(ii) Loans	9	83.25	86.16	81.63	97.57
(iii) Other financial assets	10	327.24	405.58	300.86	248.27
Deferred tax assets (net)	11	160.71	160.43	227.33	107.49
Income tax (current-tax) assets (net)	12	109.69	90.82	86.13	75.22
Other non-current assets	13	149.23	1,251.59	1,252.19	1,249.57
Total non-current assets		8,017.72	8,878.25	8,780.56	8,941.65
II Current assets					
Inventories	14	4,496.81	3,458.11	3,696.42	4,165.45
Financial assets					
(I) Trade receivables	15	10,100.62	8,669.29	9,347.45	11,394.82
(ii) Cash and cash equivalents	16	170.47	434.89	722.82	189.42
(iii) Other bank balances	17	367.53	267.61	310.26	204.50
(iv) Loans	18	47.31	93.62	41.67	58.39
(v) Other financial assets	19	606.05	160.31	328.12	162.72
Other current assets	20	795.43	1,023.60	776.35	1,198.97
Total current assets		16,584.22	14,107.43	15,223.09	17,374.27
TOTAL ASSETS		24,601.94	22,985.68	24,003.65	26,315.92
EQUITY AND LIABILITIES					
III Equity					
Equity share capital	21	471.13	471.13	471.13	471.13
Other equity					
Equity component of non-cumulative convertible preference shares	21	-	68.18	68.18	-
Equity component of compound financial instrument	70(ii)	952.82	-	-	-
Other reserves	22	2,637.05	3,278.51	3,256.88	2,447.04
Total equity		4,061.00	3,817.82	3,796.19	2,918.17
Liabilities					
IV Non-current liabilities					
Financial liabilities					
(I) Borrowings	23	2,090.79	2,014.32	2,481.07	2,684.92
(ii) Lease liabilities	24	164.16	170.59	125.62	145.69
Provisions	25	123.63	126.17	116.09	113.64
Total non-current liabilities		2,378.58	2,311.08	2,722.78	2,944.25

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Restated consolidated balance sheet

(₹ in million)

Particulars	Notes	As at	As at	As at	As at
		31 December 2021	31 March 2021	31 March 2020	31 March 2019
V Current liabilities					
Financial liabilities					
(I) Borrowings	26	7,178.11	7,533.07	7,841.24	10,666.65
(ii) Lease liabilities	27	19.46	27.42	62.53	43.98
(iii) Trade payables	28				
Dues of micro and small enterprises		1,320.26	1,559.88	1,674.53	955.41
Dues of creditors other than micro and small enterprises		2,124.78	2,154.34	2,695.97	2,997.26
(iv) Other financial liabilities	29	3,331.20	3,215.98	3,035.94	2,984.51
(v) Share application money	21 (j)	-	-	-	750.00
Other current liabilities	30	4,045.95	2,196.92	2,021.78	1,877.92
Provisions	31	138.71	147.49	145.06	141.97
Current tax liabilities (net)	32	3.89	21.68	7.63	35.79
Total current liabilities		18,162.36	16,856.78	17,484.68	20,453.49
TOTAL LIABILITIES		20,540.94	19,167.86	20,207.46	23,397.74
TOTAL EQUITY AND LIABILITIES		24,601.94	22,985.68	24,003.65	26,315.92

Summary of significant accounting policies and other explanatory information 2

The accompanying notes from an internal part of the restated consolidated financial statements

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

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N / N500013

For and on behalf of the Board of Directors Allied Blenders and Distillers Limited
(Formerly known as Allied Blenders and Distillers Private Limited)

Adi P. Sethna

Partner

Membership No. 108840

Place : Mumbai

Date: 13 June 2022

Shekhar Ramamurthy

Executive Deputy Chairman

DIN: 00504801

Place: Mumbai

Date: 13 June 2022

Arun Barik

Executive Director

DIN 07130542

Place : Mumbai

Date: 13 June 2022

Ramakrishnan Ramaswamy

Chief Financial Officer

Place: Mumbai

Date: 13 June 2022

Ritesh Shah

Company Secretary

A14037

Place: Mumbai

Date: 13 June 2022

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Restated Consolidated Statement of Profit and Loss

(₹ in million)

Particulars	Notes	Period from 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue					
Revenue from operations	33	54,449.84	63,787.76	81,190.65	89,345.97
Other income	34	75.89	190.36	165.47	122.60
Total Income		54,525.73	63,978.12	81,356.12	89,468.57
Expenses					
Cost of materials consumed	35	12,005.34	13,904.44	18,451.21	18,365.84
Purchases of stock-in-trade	36	36.96	37.30	51.81	51.27
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	(427.04)	268.77	175.63	(325.24)
Excise duty		34,996.04	40,304.10	51,231.15	58,674.56
Employee benefit expense	38	1,452.58	1,722.38	1,785.64	1,764.53
Other expenses	39	4,875.83	5,611.17	7,160.25	7,767.92
Total expenses (excluding finance cost and depreciation / amortisation)		52,939.71	61,848.16	78,855.69	86,298.88
Profit before finance costs, depreciation/amortisation, share in profit of investment accounted for using equity method, exceptional items and tax		1,586.02	2,129.96	2,500.43	3,169.69
Finance costs	40	1,106.75	1,415.10	1,802.07	1,876.29
Depreciation and amortisation expenses	41	433.28	587.41	694.23	776.26
Profit before sharing profit of investment accounted for using equity method, exceptional items and tax		45.99	127.45	4.13	517.14
Share in net profit of associate/joint ventures accounted for using equity method net of tax		-	-	-	1.34
Profit before exceptional items and tax		45.99	127.45	4.13	518.48
Exceptional item	71	-	-	-	176.81
Profit before tax		45.99	127.45	4.13	341.67
Tax expense/(credit), net					
(i) Current tax	43	9.59	45.51	-	86.14
(ii) Deferred tax	43	21.37	68.76	(119.88)	98.33
(iii) Tax adjustments in respect of earlier years	43	(17.99)	(11.90)	(3.92)	5.19
		12.97	102.37	(123.80)	189.66
Profit after tax		33.02	25.08	127.93	152.01
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of the defined benefit plans (loss)/gain	42	11.28	(5.31)	0.13	3.32
Income tax relating to these items		(3.94)	1.86	(0.04)	(1.16)
Other comprehensive income for the period/year, net of tax		7.34	(3.45)	0.09	2.16
Total comprehensive income for the period/year		40.36	21.63	128.02	154.17
Earnings per equity share:					
Basic (in ₹)	57	0.14	0.11	0.54	0.65
Diluted (in ₹)		0.14	0.10	0.53	0.65
Face value per share (in ₹)		2.00	2.00	2.00	2.00

Summary of significant accounting policies and other explanatory information 2
The accompanying notes from an internal part of the restated consolidated financial statements
This is the restated consolidated statement of profit and loss referred to in our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N / N500013

For and on behalf of the Board of Directors Allied Blenders and Distillers Limited
(Formerly known as Allied Blenders and Distillers Private Limited)

Adi P. Sethna
Partner
Membership No. 108840
Place : Mumbai
Date: 13 June 2022

Shekhar Ramamurthy
Executive Deputy Chairman
DIN: 00504801
Place: Mumbai
Date: 13 June 2022

Arun Barik
Executive Director
DIN 07130542
Place : Mumbai
Date: 13 June 2022

Ramakrishnan Ramaswamy
Chief Financial Officer
Place: Mumbai
Date: 13 June 2022

Ritesh Shah
Company Secretary
A14037
Place: Mumbai
Date: 13 June 2022

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Restated consolidated statement of cash flow

		(₹ in million)			
	Notes	Period from 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES					
Profit before tax		45.99	127.45	4.13	341.67
Adjustments for :					
Depreciation/amortisation		433.28	587.41	694.23	776.26
Provision for doubtful debts		41.30	114.42	8.89	44.11
Bad debts and advances written-off		91.60	5.00	41.13	-
Provision for doubtful advances		-	-	37.50	37.51
Provision for inventory		18.75	14.07	20.74	7.07
Unrealised foreign loss/(gain)		(7.84)	-	7.55	25.45
Finance costs		1,106.75	1,415.10	1,802.07	1,876.29
Legal and professional fees (capital raising) (exceptional item)		-	-	-	176.81
Impairment of investments/ assets		-	-	-	2.00
Provision against receivables, written back on account of merger		-	-	-	(1.63)
(Profit)/loss on sale of property, plant and equipment		(3.61)	(0.63)	5.67	(2.52)
Profit on sale of investment		-	-	(0.13)	(14.65)
Fair value changes of investments measured at fair value through profit and loss		-	-	-	(0.16)
Liabilities no longer required written back		(7.75)	(60.61)	(59.00)	(62.89)
Share in profit of associates and joint venture		-	-	-	(1.34)
Provision for earlier year written back		-	(24.53)	(10.11)	-
Interest income from investing activities		(20.57)	(30.51)	(23.87)	(21.56)
Operating profit before working capital changes		1,697.90	2,147.17	2,528.80	3,182.42
Adjustments for working capital:					
Decrease/(Increase) in inventories		(1,057.45)	224.24	448.31	(1,142.75)
Decrease/(Increase) in trade receivables		(1,561.08)	583.27	2,009.29	(2,163.86)
Decrease/(Increase) in financial assets and other assets		201.66	(230.94)	238.22	127.09
(Decrease)/Increase in liabilities and provisions		1,701.34	(233.31)	755.89	1,969.70
Cash generated from operating activities		982.37	2,490.43	5,980.51	1,972.60
Direct taxes paid (net)		(28.27)	(24.25)	(35.20)	(61.52)
Net cash generated from operating activities	(A)	954.10	2,466.18	5,945.31	1,911.08
B. CASH FLOW FROM INVESTING ACTIVITIES					
Sale/(Purchase) of investments		(0.20)	(0.00)	0.13	2.95
Investment in compulsorily convertible debentures		(241.01)	(221.04)	-	-
Purchase of property, plant and equipment, etc. [(refer note (ii))]		(514.21)	(356.27)	(468.36)	(1,583.04)
Sale of property, plant and equipment		12.94	9.31	5.84	10.79
Proceeds from sale of investment		-	53.00	-	-
Investment in bank fixed deposits (net)		(45.13)	(109.18)	(10.81)	(57.38)
Refund of capital advance for purchase of land		750.00	-	-	-
Interest received		20.57	30.51	23.87	19.93
Net cash used in investing activities	(B)	(17.04)	(593.67)	(449.33)	(1,606.75)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings		601.00	505.38	1,132.81	1,536.47
Repayment of long term borrowings		(796.17)	(746.45)	(1,703.84)	(2,708.59)
(Repayment of) short term borrowings (net)		(310.40)	(499.91)	(2,503.15)	2,185.99
Deposits with bank towards margin money against borrowings (net)		-	79.50	(118.14)	-
Finance costs paid		(1,124.80)	(1,427.21)	(1,748.92)	(1,783.43)
Legal and professional fees (capital raising) (exceptional item)		-	-	-	(176.81)
Repayment of lease obligations		(31.68)	(71.75)	(21.34)	(42.94)
Share application money received		-	-	-	750.00
Issue of compulsory convertible debentures		1,000.00	-	-	-
Redemption of Preference Shares		(750.00)	-	-	-
Net cash used in financing activities	(C)	(1,412.05)	(2,160.44)	(4,962.58)	(239.31)
Net (decrease)/increase in cash and cash equivalents	(A+B+C)	(474.99)	(287.93)	533.40	65.02
Opening balance of cash and cash equivalents		434.89	722.82	189.42	121.71
Adjustment on account of Henkell merger	51	-	-	-	2.69
Cash acquired on acquisition of subsidiary		210.57	-	-	-
Closing balance of cash and cash equivalents		170.47	434.89	722.82	189.42

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Restated consolidated statement of cash flow

		(₹ in million)			
	Notes	Period from 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Components of cash and cash equivalents:					
Cash on hand		8.50	16.82	15.81	1.98
Balances with banks in current accounts		158.76	414.37	703.46	187.44
in Fixed deposits (original maturity period less than 3 months)		3.21	3.70	3.55	-
Cash and cash equivalents	16	170.47	434.89	722.82	189.42

Note:

- (i) The restated statement of cash flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.
(ii) Includes capital work in progress, right of use assets and intangible assets

Summary of significant accounting policies and other explanatory information 2

The accompanying notes from an internal part of the restated consolidated financial statements

*This is the restated consolidated cash flow statement referred to in our report of even date

For Walker Chandiook & Co LLP

Chartered Accountants
Firm Registration No: 001076N / N500013

For and on behalf of the Board of Directors Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)

Adi P. Sethna

Partner
Membership No. 108840
Place : Mumbai
Date: 13 June 2022

Shekhar Ramamurthy

Executive Deputy Chairman
DIN: 00504801
Place: Mumbai
Date: 13 June 2022

Arun Barik

Executive Director
DIN 07130542
Place : Mumbai
Date: 13 June 2022

Ramakrishnan Ramaswamy

Chief Financial Officer
Place: Mumbai
Date: 13 June 2022

Ritesh Shah

Company Secretary
A14037
Place: Mumbai
Date: 13 June 2022

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Restated Consolidated Statement of Changes in equity

a) Equity share capital
(Refer note 21)

Particulars	Number of shares	(₹ in million)
Issued, subscribed and paid-up:		
As at 1 April 2018	4,71,13,333	471.13
Sub-division of one share of face value ₹10 each into 5 shares of face value ₹2 each (Refer note 21)	23,55,66,665	-
As at 31 March 2019	23,55,66,665	471.13
Issue of shares	-	-
As at 31 March 2020	23,55,66,665	471.13
Issue of shares	-	-
As at 31 March 2021	23,55,66,665	471.13
Issue of shares	-	-
As at 31 December 2021	23,55,66,665	471.13

b) Equity component of non-cumulative convertible preference shares
(Refer note 21)

Particulars	Number of shares	(₹ in million)
Issued, subscribed and paid-up:		
As at 1 April 2018	-	-
Issue of shares	-	-
As at 31 March 2019	-	-
Issue of shares	68,18,180	68.18
As at 31 March 2020	68,18,180	68.18
Issue of shares	-	-
As at 31 March 2021	68,18,180	68.18
Less: Shares redeemed	(68,18,180)	(68.18)
As at 31 December 2021	-	-

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Restated Consolidated Statement of Changes in equity

c) Other equity
(Refer note 22)

(₹ in million)

Particulars	Reserves and surplus					Total
	Capital reserve	Securities premium	General reserve	Capital redemption reserve	Surplus in the statement of profit and loss (Retained earnings)	
Balance as at 1 April 2018*	0.08	1,102.78	550.48	-	640.00	2,293.34
Transitional adjustment of Ind AS-116 (Refer note 62)	-	-	-	-	(0.47)	(0.47)
Profit for the year	-	-	-	-	152.01	152.01
Other comprehensive income for the year	-	-	-	-	2.16	2.16
Balance as at 31 March 2019	0.08	1,102.78	550.48	-	793.70	2,447.04
Profit for the year	-	-	-	-	127.93	127.93
Other comprehensive income for the year	-	-	-	-	0.09	0.09
Issue of shares at premium	-	681.82	-	-	-	681.82
Balance as at 31 March 2020	0.08	1,784.60	550.48	-	921.72	3,256.88
Profit for the year	-	-	-	-	25.08	25.08
Other comprehensive income for the year	-	-	-	-	(3.45)	(3.45)
Balance as at 31 March 2021	0.08	1,784.60	550.48	-	943.35	3,278.51
Profit for the period	-	-	-	-	33.02	33.02
Other comprehensive income for the period	-	-	-	-	7.34	7.34
Transfer to capital redemption reserve	-	-	(68.18)	-	-	(68.18)
Transfer from general reserve	-	-	-	68.18	-	68.18
Redemption of non-cumulative convertible preference shares	-	(681.82)	-	-	-	(681.82)
Balance as at 31 December 2021	0.08	1,102.78	482.30	68.18	983.71	2,637.05

* Refer note 7 "Intangible assets"

Summary of significant accounting policies and other explanatory information (refer note 2)

The accompanying notes from an internal part of the restated consolidated financial statements

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

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No: 001076N / N500013

For and on behalf of the Board of Directors Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)

Adi P. Sethna

Partner

Membership No. 108840

Place : Mumbai

Date: 13 June 2022

Shekhar Ramamurthy

Executive Deputy Chairman

DIN: 00504801

Place: Mumbai

Date: 13 June 2022

Arun Barik

Executive Director

DIN 07130542

Place : Mumbai

Date: 13 June 2022

Ramakrishnan Ramaswamy

Chief Financial Officer

Place : Mumbai

Date: 13 June 2022

Ritesh Shah

Company Secretary

A14037

Place : Mumbai

Date: 13 June 2022

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)

Notes to the restated consolidated financial information

Summary of significant accounting policies and other explanatory information

1. Group information

Allied Blenders and Distillers Limited (“the Company”) and its subsidiaries (collectively referred to as the ‘Group’), its associate and joint venture are engaged in the business of manufacture, purchase and sale of Alcoholic Beverages/ liquids. The Company is a public limited Company domiciled and headquartered in Mumbai, Maharashtra, India. It is incorporated under the Companies Act, 1956.

The restated consolidated financial information (‘the financial statements’) comprise financial information of the Company and its subsidiaries, its associate and joint venture for the stub period ended 31 December 2021 and for the year ended 31 March 2021, 31 March 2020 and 31 March 2019.

2. Significant accounting policies

a. Basis of Preparation

The restated consolidated financial information relates to the group and has been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), National Stock Exchange of India Limited and BSE Limited (the “Stock Exchanges”) in connection with the proposed Initial Public Offer (‘IPO’) of equity shares of the Company (referred to as the “Issue”). The restated consolidated financial information comprise the Restated Consolidated Balance Sheet as at 31 December 2021, 31 March 2021, 31 March 2020 and 31 March 2019, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Cash Flow Statement, the Restated Consolidated Statement of Changes in Equity and Statement of Significant Accounting Policies and other explanatory information for the nine months period ended 31 December 2021 and the years ended 31 March 2021, 31 March 2020 and 31 March 2019 (collectively referred to as “Restated Consolidated Financial Information”).

The restated consolidated financial information has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Act, as amended read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations").

The restated consolidated financial information of the Company and its subsidiaries, its associate and joint venture have been compiled from the audited special purpose interim consolidated financial statements as at and for the nine months ended 31 December 2021 and audited financial statements as at and for the years ended 31 March 2021, 31 March 2020 and 31 March 2019, which in turn had been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 (the ‘Act’) read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of revised Schedule III under the Companies Act, 2013, as amended from time to time by the Ministry of Corporate Affairs and other relevant provisions of the Act and accounting principles generally accepted in India. The restated consolidated financial information has been prepared on a going concern basis, on the basis of relevant Ind AS that are effective or elected for early adoption at the reporting date, 31 December 2021.

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

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle (which is a period not exceeding twelve months) and other criteria set out in Schedule III to Companies Act, 2013.

b. Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the Company and its subsidiaries line by line, adding together like items of assets, liabilities, income and expenses. Inter-Company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure

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consistency with the policies adopted by the Company. Non-controlling interests, if any in the results and equity of subsidiaries are shown separately in the restated Consolidated Statement of Profit and Loss, restated Consolidated Statement of Changes in Equity and restated Consolidated Balance Sheet respectively

Associates and Joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these restated consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the restated consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Business combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Other business combinations, involving entities or businesses are accounted for using acquisition method. Consideration transferred in such business combinations is measured at fair value as on the acquisition date, which comprises the following

- Fair values of the assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the Company

Goodwill is recognised and is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, over the net consideration amounts i.e identifiable assets acquired and the liabilities assumed.

c. Foreign Currency Transactions

The functional currency of the Company and its subsidiaries is Indian rupee.

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gain or loss arising on their settlement and restatement are recognized in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are recorded in terms of historical cost are not retranslated.

d. Revenue Recognition

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

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

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

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- ii. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- iii. The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where None of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products are recognised by the Group at a point in time on which the performance obligation is satisfied.

Revenue from sale of products

Revenue is recognised on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

Revenue from manufacture and sale of products from tie-up manufacturing arrangements:

The Group has entered into arrangements with Tie-up Manufacturing Units (TMUs), where-in TMUs manufacture and sell on behalf of the Group. Under such arrangements, the Group has exposure to significant risks and rewards associated with the sale of products i.e., it has the primary responsibility for providing goods to the customer, has pricing latitude and is also exposed to inventory and credit risks. Accordingly, the transactions of the TMUs under such arrangements have been recorded as gross revenue, excise duty and expenses as if they were transactions of the Group. The Group also presents inventory lying with TMU's under such arrangements as its own inventory.

The net receivables from/payable to TMUs are recognised under other financial assets/other financial liabilities as due from tie up units or due to tie up units respectively.

Interest

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

e. Income tax

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

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

The current income tax charge is calculated on the basis of the tax laws enacted in relation to the reporting period.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where

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the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

f. Leases

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, (if any) and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies note g for impairment of non-financial assets.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce Property plant and equipment) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in financial liability

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

g. Impairment of non-financial assets

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

After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

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A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

h. Cash and cash equivalents

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

i. Trade receivable

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

j. Inventories

Raw materials, work-in-progress, finished goods and packing materials are carried at the lower of cost and net realisable value. Damaged, non-moving / obsolete stocks are suitably written down/provided for.

In determining cost of raw materials, packing materials, work-in-progress and finished goods, weighted average cost method is used. Cost of inventory comprises all costs of purchase, non-refundable duties and taxes and all other costs incurred in bringing the inventory to their present location and condition.

Cost of work-in-progress and finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

k. Investments and financial assets

Classification

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

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

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

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

Measurement

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

Measurement of equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit and loss are recognised in the statement of profit and loss.

Impairment of financial assets

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

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

De-recognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or

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

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

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

l. Offsetting financial instruments

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

m. Property plant and equipment (including Capital Work-in-Progress)

Freehold land is carried at historical cost less impairment loss, if any. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation / amortisation, and impairment loss, if any. Historical cost includes expenditure that is attributable to the acquisition/ construction and all other costs (including borrowing related to qualifying assets), that are not refundable and are necessary to bring the asset to its working condition of use as intended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

The cost of property, plant and equipment which are incurred before the date they are ready for their intended use, are disclosed as capital work-in-progress before such date.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation / Amortisation:

Depreciation is charged on written down value method as prescribed in Schedule II to the Companies Act, 2013 keeping a residual value of assets at 5% of the original cost, except in case of computers and data processing units where residual value is estimated at 1% of the original cost. Depreciation is calculated pro-rata from the date of addition/ or upto the date of disposal, as the case may be.

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

n. Intangible Assets and amortisation

Intangible assets with a finite useful life are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is attributable to the acquisition/ development of the intangible assets including cost necessary to bring the asset to its intended use or sale.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Software and related implementation costs are capitalized where it is expected to provide enduring economic benefits and are amortized over a period of 5 years starting from the month of addition.

Manufacturing License is considered as an asset with indefinite useful life, since there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The acquisition cost of such asset is carried at deemed cost and is tested for impairment annually.

Patent, trademarks and design, and license other than manufacturing license acquisition cost are amortised over a period of 10 years from the month of acquisition

Goodwill arising on business combination is carried at deemed cost and is tested for impairment annually.

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

o. Borrowings

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

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

p. Borrowing Costs

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

q. Provisions, Contingent Liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are measured at present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation where outflow of resources is not probable or where outflow is probable but reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the financial statements. However, they are disclosed only when an inflow of economic benefits is probable.

r. Employee Benefits

A) Short term employee benefits: All employee benefits which are due within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

B) Post-employment benefits

i. Defined Contribution Plans: Group's contribution to the state governed provident fund scheme, superannuation scheme, Employees State Insurance corporation (ESIC) etc. are recognised during the year in which the related service is rendered.

ii. Gratuity: The Group has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the Statement of Profit and Loss. The present value of the defined benefit obligation, which is unfunded at present, is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating the terms of the related obligation. Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income.

iii. Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit

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Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

C) Termination Benefits: These are recognised as an expense in the Statement of Profit and Loss of the year in which they are incurred, i.e. when employment is terminated or when an employee accepts voluntary redundancy in exchange for these benefits.

s. Earnings per share

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

t. Exceptional items

When an item of income or expense within Statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain more meaningfully the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

3. Critical estimates and judgements

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

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

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

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

i) Property, plant and equipment and Intangible Assets:

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

ii) Income Tax:

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

iii) Contingencies:

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

iv) Impairment of financial assets:

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

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v) Impairment of non-financial assets:

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

vi) Defined benefit obligation

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to the financial statements.

vii) Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

4. Standards issued but not yet effective

There are no standards that are issued but not yet effective as on 31 December 2021.

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5 Property, plant and equipment

(₹ in million)

Particulars	Freehold land	Leasehold land	Building	Factory road	Plant and machinery	Furniture and fixtures	Vehicles	Electrical installation	Leasehold Improvements**	Office equipment	Computers	Server and network	Lab processing equipments	Moulds	Total
Gross carrying value															
As at 1 April 2018	921.07	1,277.23	2,510.65	29.71	2,771.76	159.73	319.28	150.58	-	131.80	50.78	27.45	15.73	15.03	8,380.80
Reclassified on account of adoption of Ind AS 116 'Leases' (Refer note 67)	-	(1,277.23)	-	-	-	-	-	-	-	-	-	-	-	-	(1,277.23)
Additions	4.88	-	103.27	-	181.87	7.98	77.85	7.37	-	20.51	2.73	1.12	0.87	1.09	409.54
Adjustments*	-	-	-	-	23.07	2.09	(2.09)	(23.07)	-	-	-	-	-	-	-
Deductions	-	-	2.01	-	11.97	0.12	29.23	-	-	0.98	1.92	-	0.01	-	46.24
Assets acquired under business combination	-	-	-	-	1.43	-	-	-	-	-	-	-	-	-	1.43
As at 31 March 2019	925.95	-	2,611.91	29.71	2,966.16	169.68	365.81	134.88	-	151.33	51.59	28.57	16.59	16.12	7,468.30
Additions	44.81	-	0.62	-	153.64	2.12	13.67	3.82	-	9.30	2.63	-	1.70	-	232.31
Adjustments*	-	-	-	-	(57.64)	0.03	-	56.77	-	0.40	(0.28)	-	0.71	-	(0.01)
Deductions	-	-	1.06	-	24.96	27.14	3.52	1.49	-	18.14	9.96	0.28	0.91	13.81	101.27
As at 31 March 2020	970.76	-	2,611.47	29.71	3,037.20	144.69	375.96	193.98	-	142.89	43.98	28.29	18.09	2.31	7,599.33
Additions	3.26	-	134.65	9.25	159.14	0.60	8.09	16.72	283.59	5.95	14.77	0.85	1.23	-	638.10
Deductions	-	-	-	-	17.72	0.44	9.60	0.25	-	0.66	0.27	-	0.12	-	29.06
As at 31 March 2021	974.02	-	2,746.12	38.96	3,178.62	144.85	374.45	210.45	283.59	148.18	58.48	29.14	19.20	2.31	8,208.37
Additions	-	-	32.87	2.50	26.06	0.04	3.97	0.00	65.61	3.19	10.10	-	0.11	-	144.45
Acquisition of subsidiary	-	-	846.85	-	-	-	-	-	-	-	-	-	-	-	846.85
Deductions	-	-	-	-	28.35	0.34	6.56	0.57	-	0.24	-	-	-	0.01	36.07
As at 31 December 2021	974.02	-	3,625.84	41.46	3,176.33	144.55	371.86	209.88	349.20	151.13	68.58	29.14	19.30	2.31	9,163.60
Accumulated depreciation/amortisation															
As at 1 April 2018	-	85.04	503.45	15.91	978.52	122.64	159.38	60.89	-	93.65	47.96	19.79	9.44	11.91	2,108.58
Reclassified on account of adoption of Ind AS 116 'Leases' (Refer note 67)	-	(85.04)	-	-	-	-	-	-	-	-	-	-	-	-	(85.04)
Charge for the year	-	-	262.54	8.59	314.20	12.02	62.85	24.01	-	17.64	3.09	4.31	2.39	2.33	713.97
Adjustments*	-	-	-	-	11.92	1.35	(1.35)	(11.92)	-	-	-	-	-	-	-
Deductions	-	-	2.01	-	8.47	0.04	23.17	-	-	0.82	1.86	-	0.01	-	36.38
As at 31 March 2019	-	-	763.98	24.50	1,296.17	135.97	197.71	72.98	-	110.47	49.19	24.10	11.82	14.24	2,701.13
Charge for the year	-	-	228.80	4.97	263.55	11.17	53.72	45.18	-	18.23	2.60	2.36	1.69	0.42	632.69
Adjustments*	-	-	-	-	(28.21)	(0.01)	-	28.13	-	0.28	(0.27)	-	0.08	-	-
Deductions	-	-	0.41	-	18.31	25.02	3.43	1.34	-	17.28	9.81	0.27	0.79	13.13	89.79
As at 31 March 2020	-	-	992.37	29.47	1,513.20	122.11	248.00	144.95	-	111.70	41.71	26.19	12.80	1.53	3,244.03
Charge for the year	-	-	118.93	3.66	261.37	6.14	41.14	17.86	47.26	14.27	8.34	1.08	1.51	0.14	521.70
Deductions	-	-	-	-	10.57	0.40	8.19	0.23	-	0.65	0.26	-	0.09	-	20.39
As at 31 March 2021	-	-	1,111.30	33.13	1,764.00	127.85	280.95	162.58	47.26	125.32	49.79	27.27	14.22	1.67	3,745.34
Charge for the period	-	-	98.86	4.79	173.75	3.06	22.17	12.80	54.35	7.62	9.37	0.54	0.92	0.09	388.32
Deductions	-	-	-	-	19.73	0.28	6.00	0.51	-	0.22	-	-	0.01	-	26.75
As at 31 December 2021	-	-	1,210.16	37.92	1,918.02	130.63	297.12	174.87	101.61	132.72	59.16	27.81	15.13	1.76	4,106.91
Net carrying value															
Balance as at 31 March 2019	925.95	-	1,847.93	5.21	1,669.99	33.71	168.10	61.90	-	40.86	2.40	4.47	4.77	1.88	4,767.17
Balance as at 31 March 2020	970.76	-	1,619.10	0.24	1,524.00	22.58	127.96	49.03	-	31.19	2.27	2.10	5.29	0.78	4,355.30
Balance as at 31 March 2021	974.02	-	1,634.82	5.83	1,414.62	17.00	93.50	47.87	236.33	22.86	8.69	1.87	4.98	0.64	4,463.03
Balance as at 31 December 2021	974.02	-	2,415.68	3.54	1,258.31	13.92	74.74	35.01	247.59	18.41	9.42	1.33	4.17	0.55	5,056.69

* The Group has conducted physical verification of their property, plant and equipment, based on physical verification report the Company has reclassified certain asset into different classes.

** Leasehold improvement carried out at property taken on lease, used as Company's training centre cum guest house.

Refer note 23 and note 26 for assets pledged as security.

5A Capital work-in-progress

(₹ in million)

Particulars	Total
Balance as at 1 April 2018	156.39
Additions	303.89
Capitalised during the year	(125.31)
Balance as at 31 March 2019	334.97
Additions	249.73
Capitalised during the year	(107.52)
Balance as at 31 March 2020	477.18
Additions	73.29
Capitalised during the year	(381.13)
Balance as at 31 March 2021	169.34
Additions	75.19
Capitalised during the period	(109.49)
Balance as at 31 December 2021	135.04

6 Right of use assets

(₹ in million)

Particulars	Right of use assets- land	Right of use assets- building	Right of use assets- machinery	Total
Gross carrying value				
As at 1 April 2018				
Reclassified on account of adoption of Ind AS 116 'Leases' (Refer note 67)*	1,197.15	-	-	1,197.15
Transition impact on account of adoption of Ind AS 116 'Leases' (Refer note 67)	1.95	-	-	1.95
Additions	-	5.08	211.81	216.89
Deductions	-	-	-	-
As at 31 March 2019	1,199.10	5.08	211.81	1,415.99
Additions	-	0.12	-	0.12
Deductions	-	-	-	-
As at 31 March 2020	1,199.10	5.20	211.81	1,416.11
Additions	-	64.19	-	64.19
Deductions	-	2.23	15.01	17.24
As at 31 March 2021	1,199.10	67.16	196.80	1,463.06
Additions	-	1.47	-	1.47
Deductions	-	2.69	12.78	15.47
As at 31 December 2021	1,199.10	65.94	184.02	1,449.06
Accumulated depreciation/amortisation				
As at 1 April 2018				
Charge for the year	8.71	0.68	16.56	25.95
Deductions	-	-	-	-
As at 31 March 2019	8.71	0.68	16.56	25.95
Charge for the year	8.94	2.73	31.11	42.78
Deductions	-	-	-	-
As at 31 March 2020	17.65	3.41	47.67	68.73
Charge for the year	8.94	10.45	30.10	49.49
Deductions	-	2.18	15.01	17.19
As at 31 March 2021	26.59	11.68	62.76	101.03
Charge for the period	6.71	10.37	15.35	32.43
Deductions	-	2.69	12.78	15.47
As at 31 December 2021	33.30	19.36	65.33	117.99
Net carrying value				
Balance as at 31 March 2019	1,190.39	4.40	195.25	1,390.04
Balance as at 31 March 2020	1,181.45	1.79	164.14	1,347.38
Balance as at 31 March 2021	1,172.51	55.48	134.04	1,362.03
Balance as at 31 December 2021	1,165.80	46.58	118.69	1,331.07

* Amount of ₹ 1,192.19 million has been re-classified from property, plant and equipment and amount ₹ 4.96 million has been reclassified from prepaid expenses.

7 Intangible assets

(₹ in million)

Particulars	Software	License fees*	Patent, trademark and design	Total	Goodwill
Balance as at 1 April 2018	171.85	628.32	-	800.17	57.41
Adjustment#	-	(5.15)	5.15	-	-
Additions	1.75	-	-	1.75	-
Deductions	-	-	-	-	-
Merger of Henkell & Company India Private Limited (refer note 51)	-	-	-	-	30.97
Balance as at 31 March 2019	173.60	623.17	5.15	801.92	88.38
Additions	0.42	-	-	0.42	-
Deductions	0.33	-	-	0.33	-
Balance as at 31 March 2020	173.69	623.17	5.15	802.01	88.38
Additions	31.77	0.12	-	31.89	-
Deductions	-	-	-	-	-
Balance as at 31 March 2021	205.46	623.29	5.15	833.90	88.38
Additions	8.50	0.60	-	9.10	-
Deductions	-	-	-	-	-
Balance as at 31 December 2021	213.96	623.89	5.15	843.00	88.38
Accumulated amortisation					
Balance as at 1 April 2018	104.42	28.84	-	133.26	18.88
Adjustment#	-	(0.28)	0.28	-	-
Charge for the year*	32.64	3.09	0.61	36.34	-
Deductions	-	-	-	-	-
Impairment	-	-	-	-	30.96
Balance as at 31 March 2019	137.06	31.65	0.89	169.60	49.84
Charge for the year	15.01	3.22	0.53	18.76	-
Deductions	0.33	-	-	0.33	-
Balance as at 31 March 2020	151.74	34.87	1.42	188.03	49.84
Charge for the year	12.67	3.04	0.51	16.22	-
Deductions	-	-	-	-	-
Balance as at 31 March 2021	164.41	37.91	1.93	204.25	49.84
Charge for the period	9.81	2.34	0.38	12.53	-
Deductions	-	-	-	-	-
Balance as at 31 December 2021	174.22	40.25	2.31	216.78	49.84
Net Carrying Value					
Balance as at 31 March 2019	36.54	591.52	4.26	632.32	38.54
Balance as at 31 March 2020	21.95	588.30	3.73	613.98	38.54
Balance as at 31 March 2021	41.05	585.38	3.22	629.65	38.54
Balance as at 31 December 2021	39.74	583.64	2.84	626.22	38.54

Based on internal evaluation, the management of the Group has reclassified Patent, trade marks and design as separate class of assets.

*During the year 2019-20, the Group has reassessed the useful lives of licenses acquired by the Group for its manufacturing units. Based on management estimate and conditions stipulated in the license document issued by the statutory authorities, the useful life has been assessed to be indefinite for the said licenses of ₹ 567.52 million (31 March 2021: ₹ 567.52 million ; 31 March 2020: ₹ 567.52 million and 31 March 2019: ₹ 567.52 million) . On account of revision in useful lives of licenses fees, amortisation expenses for the year (FY 2018-19) have reduced by ₹ 59.36 million, tax expenses for the year (FY 2018-19) have increased by ₹ 20.74 million, profits for the year are higher by ₹ 38.62 million and equity of the Group as on 1 April 2018 is higher by ₹ 34.78 million (net of taxes of ₹ 18.69 million).

7A Intangibles under development

(₹ in million)

Particulars	Total
Balance as at 1 April 2018	-
Additions	0.45
Deletion during the year	-
Balance as at 31 March 2019	0.45
Additions	-
Deletion during the year	(0.45)
Balance as at 31 March 2020	-
Additions	-
Deletion during the year	-
Balance as at 31 March 2021	-
Additions	-
Deletion during the period	-
Balance as at 31 December 2021	-

8 Investments (non-current)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
A) Investment in joint ventures- measured at cost				
Joint ventures				
Allied Blenders and Distillers International General Trading LLC (Refer note 68)				
31 December 2021- Nil (31 March 2021 - Nil, 31 March 2020 - Nil, 31 March 2019 - 147) shares of DHS 1,000 each fully paid-up, unquoted	-	-	-	2.47
Less : Provision for diminution in the value of investment	-	-	-	(2.47)
Total (A)	-	-	-	-
Aggregate amount of impairment in value of investments	-	-	-	(2.47)
B) Investment in others				
Investment in equity shares measured at fair value through profit and loss account				
Un-quoted, fully paid-up				
Sanguine New Media & Advisory Private Limited				
31 December 2021- 2,941 (31 March 2021 - 2,941, 31 March 2020 - 2,941, 31 March 2019 - 2,941) equity shares of ₹ 10 each fully paid up	2.00	2.00	2.00	2.00
Less : Provision for diminution in the value of investment	(2.00)	(2.00)	(2.00)	(2.00)
Shamrao Vithal Co-operative Bank Ltd (#)				
31 December 2021- 100 (31 March 2021 - 100, 31 March 2020 - Nil, 31 March 2019 - Nil) equity shares of ₹ 25 each fully paid up	0.00	0.00	-	-
Saraswat Co-Operative Bank Limited				
31 December 2021- 2,500 (31 March 2021 - 2,500, 31 March 2020 - 2,500, 31 March 2019 - 2,500) equity shares of ₹ 10 each fully paid up	0.03	0.03	0.03	0.03
Jankalyan Sahkari Bank Limited (#)				
31 December 2021- 10 (31 March 2021 - 10, 31 March 2020 - 10, 31 March 2019 - 10) equity shares of ₹ 10 each fully paid up	0.00	0.00	0.00	0.00
Sub-total (i)	0.03	0.03	0.03	0.03
Investment in government securities measured at amortized cost, unquoted				
National savings certificates	0.01	0.01	0.01	0.01
Sub-total (ii)	0.01	0.01	0.01	0.01
Investment in compulsorily convertible debentures (CCD) measured at fair value through other comprehensive income (Refer note 47)				
Un-quoted, fully paid-up				
ABD Dwelling Private Limited				
31 December 2021- Nil (31 March 2021 - 20,805,000, 31 March 2020 - Nil, 31 March 2019 - Nil) CCD of ₹ 10 each fully paid up	-	208.04	-	-
Madanlal Estates Private Limited				
31 December 2021- Nil (31 March 2021 - 1,300,000, 31 March 2020 - Nil, 31 March 2019 - Nil) CCD of ₹ 10 each fully paid up	-	13.00	-	-
Sub-total (iii)	-	221.04	-	-
Total (B) (i+ii+iii)	0.04	221.08	0.04	0.04
Aggregate market value of quoted investments	-	-	-	-
Aggregate value of unquoted investments (net of impairment)	0.04	221.08	0.04	0.04
Aggregate amount of impairment in value of investments	2.00	2.00	2.00	2.00

Amount less than ₹ 1 thousand.

9 Loans (non-current)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured considered good (unless otherwise stated)				
Security deposits				
- Related party (Refer note 47)	2.10	2.10	2.10	2.10
- Others	77.66	70.99	54.53	73.11
- Credit impaired (others)	5.37	-	-	-
Less : Provision for expected credit loss	(5.37)	-	-	-
Loans and advances to related parties :				
Loan to a director employee (Refer note 47 and note 56)	3.49	13.07	25.00	22.36
Loans and advances to others				
Considered good	-	-	-	0.00
Credit impaired	9.43	9.43	9.43	9.43
Less : Provision for expected credit loss	(9.43)	(9.43)	(9.43)	(9.43)
Total	83.25	86.16	81.63	97.57

Break up of security details :

Loans receivables considered good - secured	-	-	-	-
Loans receivables considered good - unsecured	83.25	86.16	81.63	97.57
Loans receivables which have significant increase in credit risk	-	-	-	-
Loans receivables - credit impaired	14.79	9.43	9.43	9.43

10 Other non-current financial assets

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Due from tie-up units	244.18	267.72	235.34	205.93
In fixed deposits*	83.36	138.16	65.82	42.64
Less : Provision for doubtful deposits	-0.30	-0.30	-0.30	-0.30
	83.06	137.86	65.52	42.34
Total	327.24	405.58	300.86	248.27

* Fixed deposits shown above are kept under lien with various statutory authorities of ₹ 76.51 million (31 March 2021: 91.39 million, 31 March 2020: ₹ 11.36 million and 31 March 2019: ₹ 33.30 million) and short term borrowings availed from banks of ₹ 6.85 million (31 March 2021: ₹ 46.77 million, 31 March 2020: ₹ 54.46 million and 31 March 2019: ₹ 9.34 million).

11 Deferred tax assets (net)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities arising on account of:				
Difference between book depreciation and depreciation as per Income Tax Act, 1961	99.24	92.43	62.22	89.43
Financial assets and financial liabilities at amortised cost	19.21	22.41	31.04	37.51
Others	6.35	6.26	6.52	6.26
Total deferred tax liabilities (A)	124.80	121.10	99.78	133.20
Deferred tax asset arising on account of :				
MAT credit entitlement	39.63	74.22	140.50	69.86
Employee benefits	97.70	98.44	95.54	91.72
Provision for expected credit loss	122.70	85.54	78.47	65.54
Difference in book values and tax base values of ROU assets and lease liabilities	5.85	3.77	4.51	2.62
Compound financial instrument	13.74	-	-	-
Others	5.89	19.56	8.09	10.95
Total deferred tax assets (B)	285.51	281.53	327.11	240.69
Deferred tax assets (net) (B-A)	160.71	160.43	227.33	107.49

12 Income tax (current-tax) assets (net) (non-current)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Advance income tax	109.69	90.82	86.13	75.22
[net of provision - ₹ 640.27 million (31 March 2021- ₹ 538.98 million) (31 March 2020 - ₹ 538.98 million) (31 March 2019 - ₹ 91.16 million)]				
Total	109.69	90.82	86.13	75.22

13 Other non-current assets

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured				
Capital advances				
- Related party (Refer note 47)	-	1,110.00	1,110.00	1,110.00
- Others good	13.62	19.69	25.58	17.69
- Others credit impaired	2.00	2.00	2.00	2.00
Less : Provision for doubtful advances	(2.00)	(2.00)	(2.00)	(2.00)
Prepayments	17.42	14.00	15.90	4.83
Balance with statutory authorities	118.19	107.90	100.71	117.05
Total	149.23	1,251.59	1,252.19	1,249.57

14 Inventories

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Raw materials	947.90	943.61	798.48	995.30
Packing materials	703.14	540.72	576.01	703.80
Finished goods	2,025.42	1,624.19	2,107.11	2,144.55
Stock in transit				
Raw materials	141.16	-	37.94	21.89
Finished goods	425.96	170.80	-	-
Provision for reduction in value of raw materials and packing materials	(67.43)	(94.47)	(131.42)	(110.68)
Sub-total	4,176.15	3,184.85	3,388.12	3,754.86
Work-in-progress	261.49	217.92	251.04	350.90
Stock-in-trade	3.25	3.25	3.25	2.23
Stores, spares and consumables	55.92	52.09	54.01	57.46
Total	4,496.81	3,458.11	3,696.42	4,165.45

Allowance for obsolete inventories for the year amounted to ₹ 18.75 million (31 March 2021: ₹ 14.07 million, 31 March 2020: ₹ 20.74 million, 31 March 2019: ₹ 7.07 million) has been recognised as an expense during the year and is included in cost of materials consumed in the statement of profit and loss.

15 Trade receivables

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured				
- Related party (Refer note 47)*	0.89	0.89	0.89	0.80
- Others good	10,102.13	8,670.81	9,348.97	11,396.43
- Others credit impaired	248.47	220.99	155.36	146.47
Less: Provision for expected credit loss (including good debts)	(250.87)	(223.40)	(157.77)	(148.88)
Total	10,100.62	8,669.29	9,347.45	11,394.82

*Private Company in which Director of the Company is a Director.

Trade receivables considered good - secured	-	-	-	-
Trade receivables considered good - unsecured	10,103.03	8,671.70	9,349.86	11,397.23
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	248.47	220.99	155.36	146.47

16 Cash and cash equivalents

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Cash on hand	8.50	16.82	15.81	1.98
Balances with banks				
in current accounts	158.76	414.37	703.46	187.44
in Fixed deposits (original maturity period less than 3 months)	3.21	3.70	3.55	-
Total	170.47	434.89	722.82	189.42

Note : There are no repatriation restrictions with respect to cash and bank balances held by the Group.

17 Other bank balances

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
In fixed deposits (original maturity period more than 3 months but less than 12 months)*	240.63	142.06	148.47	100.87
In fixed deposits (original maturity period more than 12 months, but less than 12 months from reporting date)*	126.90	125.55	161.79	103.63
Total	367.53	267.61	310.26	204.50

* Fixed deposits shown above are kept under lien with various statutory authorities of ₹ ₹ 83.73 million (31 March 2021: ₹ 91.29 million) (31 March 2020: ₹ 62.14 million) (31 March 2019: ₹ 45.30 million) and short term borrowings availed from banks of ₹ 283.80 million (31 March 2021: ₹ 176.32 million) (31 March 2020: ₹ 248.12 million) (31 March 2019: ₹ 159.20 million).

18 Current Loans

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good unless otherwise stated				
Security deposits	13.03	20.35	34.53	52.15
Loans to employees	0.55	1.48	2.33	2.59
Loan to director employees (Related parties) (Refer note 47 and 56)	33.73	71.79	4.76	2.77
Others	-	-	0.05	0.88
Total	47.31	93.62	41.67	58.39

*Private Company in which Director of the Group is a Director.

Break up of security details :

Loans receivables considered good - secured	-	-	-	-
Loans receivables considered good - unsecured	47.31	93.62	41.67	58.39
Loans receivables which have significant increase in credit risk	-	-	-	-
Loans receivables - credit impaired	-	-	-	-

19 Other current financial assets

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Due from tie-up units	136.29	159.34	234.66	108.72
Others				
-Considered good	-	0.97	40.46	-
-Related party (Refer note 47)	469.76	-	53.00	54.00
Total	606.05	160.31	328.12	162.72

20 Other current assets

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Export entitlements receivables	71.83	112.34	61.18	128.15
Advance to suppliers	-	-	-	-
- Related party (Refer note 47)*	34.65	142.49	152.49	173.38
- Others good	231.83	149.65	90.45	240.43
- Others credit impaired	85.11	85.11	85.11	59.37
Less: Provision for doubtful assets	(85.11)	(85.11)	(85.11)	(59.37)
Balance with statutory authorities	187.17	159.42	196.33	224.09
Prepayments	236.40	438.00	253.09	426.07
Other current assets	-	-	-	-
Considered good	33.55	21.70	22.81	6.85
Credit impaired	0.88	0.88	0.88	0.88
Less : Provision for expected credit loss	(0.88)	(0.88)	(0.88)	(0.88)
Total	795.43	1,023.60	776.35	1,198.97

*Private company in which Director of the Company is a Director.

21 Equity share capital

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Authorised share capital				
Equity Shares				
362,150,000 (31 March 2021 - 327,150,000, 31 March 2020 - 247,150,000, 31 March 2019 - 282,150,000) equity shares of ₹ 2 each	724.30	654.30	494.30	564.30
Issued, subscribed and fully paid-up				
Equity Shares				
235,566,665 (31 March 2021 - 235,566,665, 31 March 2020 - 235,566,665, 31 March 2019 - 235,566,665) equity shares of ₹ 2 each	471.13	471.13	471.13	471.13
Total	471.13	471.13	471.13	471.13

Equity component of non-cumulative convertible preference shares

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Authorised share capital				
Non-cumulative convertible preference shares (NCCPS) (Equity component)				
Nil (31 March 2021 - 7,000,000, 31 March 2020 - 7,000,000, 31 March 2019 - Nil) 0.01% Non-cumulative convertible preference shares (NCCPS) of ₹ 10 each	-	70	70	-
Issued, subscribed and fully paid-up				
Non-cumulative convertible preference shares (NCCPS) (Equity component)				
Nil (31 March 2021 - 6,818,180, 31 March 2020 - 6,818,180, 31 March 2019 - Nil) 0.01% Non-cumulative convertible preference shares (NCCPS) of ₹ 10 each	-	68.18	68.18	-
Total	-	68.18	68.18	-

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

Particulars	As at 31 December 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	(₹ in million)	No. of shares	(₹ in million)	No. of shares	(₹ in million)	No. of shares	(₹ in million)
(i) Equity shares								
Balance as at the beginning of the period/year	23,55,66,665	471.13	23,55,66,665	471.13	23,55,66,665	471.13	4,71,13,333	471.13
Add: Shares issued	-	-	-	-	-	-	-	-
	23,55,66,665	471.13	23,55,66,665	471.13	23,55,66,665	471.13	4,71,13,333	471.13
Sub-division of one share of face value ₹10 each into 5 shares of face value ₹2 each *	-	-	-	-	-	-	23,55,66,665	-
Balance outstanding at the end of the period/year	23,55,66,665	471.13	23,55,66,665	471.13	23,55,66,665	471.13	23,55,66,665	471.13

* With effect from 29 September 2018, the equity shares of the Company having the face value of ₹ 10 each have been subdivided into 5 equity shares of ₹ 2 each.

Particulars	As at 31 December 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	(₹ in million)	No. of shares	(₹ in million)	No. of shares	(₹ in million)	No. of shares	(₹ in million)
(ii) Non-cumulative convertible preference shares (NCCPS)								
Balance as at the beginning of the period/year	68,18,180	68.18	68,18,180	68.18	-	-	-	-
Add: Shares issued	-	-	-	-	68,18,180	68.18	-	-
Less: Shares redeemed	(68,18,180)	(68.18)	-	-	-	-	-	-
Balance outstanding at the end of the period/year	-	-	68,18,180	68.18	68,18,180	68.18	-	-

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

Particulars	As at 31 December 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares (of ₹ 2 each)	% of holding	No. of shares (of ₹ 2 each)	% of holding	No. of shares (of ₹ 2 each)	% of holding	No. of shares (of ₹ 2 each)	% of holding
(i) Equity shares								
Bina K Chhabria	11,74,28,650	49.85%	11,74,28,650	49.85%	11,62,75,400	49.36%	11,62,75,400	49.36%
Resham Chhabria Jeetendra Hemdev	5,87,14,320	24.92%	5,87,14,320	24.92%	5,81,37,695	24.68%	5,81,37,695	24.68%
Neesha Chhabria	5,87,14,320	24.92%	5,87,14,320	24.92%	5,81,37,695	24.68%	5,81,37,695	24.68%
Total	23,48,57,290	99.69%	23,48,57,290	99.69%	23,25,50,790	98.72%	23,25,50,790	98.72%

Particulars	As at 31 December 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares (of ₹10 each)	% of holding	No. of shares (of ₹10 each)	% of holding	No. of shares (of ₹10 each)	% of holding	No. of shares (of ₹10 each)	% of holding
(ii) Non-cumulative convertible preference shares (NCCPS)								
Ashoka Liquors Private Limited	-	-	68,18,180	100.00%	68,18,180	100.00%	-	-
Total	-	-	68,18,180	100.00%	68,18,180	100.00%	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(c) Details of equity shares held by promoters

As at 31 December 2021

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mrs. Bina K Chhabria	11,74,28,650	-	11,74,28,650	49.85%	-
Equity shares of ₹ 2 each fully paid	Mrs. Resham Chhabria Jeetendra Hemdev	5,87,14,320	-	5,87,14,320	24.92%	-
Equity shares of ₹ 2 each fully paid	Mrs. Neesha K Chhabria	5,87,14,320	-	5,87,14,320	24.92%	-
Equity shares of ₹ 2 each fully paid	Bina Chhabria Enterprises Private Limited	1,41,095	-	1,41,095	0.06%	-
Equity shares of ₹ 2 each fully paid	Oriental Radios Private Limited	5,66,665	-	5,66,665	0.24%	-
Equity shares of ₹ 2 each fully paid	Officer's Choice Spirits Private Limited	1,615	-	1,615	0.00%	-
Total		23,55,66,665	-	23,55,66,665	100%	-

As at 31 March 2021

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the period	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mrs. Bina K Chhabria	11,62,75,400	302	11,74,28,650	49.85%	0.99%

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)

Notes to the Restated Consolidated Financial Information

Equity shares of ₹ 2 each fully paid	Mrs. Resham Chhabria Jeetendra Hemdev	5,81,37,695	5,76,625	5,87,14,320	24.92%	0.99%
Equity shares of ₹ 2 each fully paid	Mrs. Neesha K Chhabria	5,81,37,695	5,76,625	5,87,14,320	24.92%	0.99%
Equity shares of ₹ 2 each fully paid	Bina Chhabria Enterprises Private Limited	1,41,095	-	1,41,095	0.06%	0.00%
Equity shares of ₹ 2 each fully paid	Oriental Radios Private Limited	5,66,665	-	5,66,665	0.24%	0.00%
Equity shares of ₹ 2 each fully paid	Officer's Choice Spirits Private Limited	1,615	-	1,615	0.00%	0.00%
Equity shares of ₹ 2 each fully paid	Mr Deepak Roy	23,06,500	(23,06,500)	-	0.00%	-100.00%
Total		23,55,66,665	-	23,55,66,665	100%	-97.02%

As at 31 March 2020

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the period	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mrs. Bina K Chhabria	11,62,75,400	-	11,62,75,400	49.36%	0.00%
Equity shares of ₹ 2 each fully paid	Mrs. Resham Chhabria Jeetendra Hemdev	5,81,37,695	-	5,81,37,695	24.68%	0.00%
Equity shares of ₹ 2 each fully paid	Mrs. Neesha K Chhabria	5,81,37,695	-	5,81,37,695	24.68%	0.00%
Equity shares of ₹ 2 each fully paid	Bina Chhabria Enterprises Private Limited	1,41,095	-	1,41,095	0.06%	0.00%
Equity shares of ₹ 2 each fully paid	Oriental Radios Private Limited	5,66,665	-	5,66,665	0.24%	0.00%
Equity shares of ₹ 2 each fully paid	Officer's Choice Spirits Private Limited	1,615	-	1,615	0.00%	0.00%
Equity shares of ₹ 2 each fully paid	Mr Deepak Roy	23,06,500	-	23,06,500.00	0.98%	0.00%
Total		23,55,66,665	-	23,55,66,665	100%	0.00%

As at 31 March 2019

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the period	% of Total Shares	% change during the year
Equity shares of ₹ 2 each fully paid	Mrs. Bina K Chhabria	11,62,75,400	-	11,62,75,400	49.36%	0.00%
Equity shares of ₹ 2 each fully paid	Mrs. Resham Chhabria Jeetendra Hemdev	5,81,37,695	-	5,81,37,695	24.68%	0.00%
Equity shares of ₹ 2 each fully paid	Mrs. Neesha K Chhabria	5,81,37,695	-	5,81,37,695	24.68%	0.00%
Equity shares of ₹ 2 each fully paid	Bina Chhabria Enterprises Private Limited	1,41,095	-	1,41,095	0.06%	0.00%
Equity shares of ₹ 2 each fully paid	Oriental Radios Private Limited	5,66,665	-	5,66,665	0.24%	0.00%
Equity shares of ₹ 2 each fully paid	Officer's Choice Spirits Private Limited	1,615	-	1,615	0.00%	0.00%
Equity shares of ₹ 2 each fully paid	Mr Deepak Roy	23,06,500	-	23,06,500.00	0.98%	0.00%
Total		23,55,66,665	-	23,55,66,665	100%	0.00%

(d) Details of preference shares held by promoters

As at 31 December 2021

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
0.01% Non-cumulative convertible preference shares (NCCPS) of ₹ 10 each	Ashoka Liquors Private Limited	68,18,180	100%	-	-	100%
Total		68,18,180	100%	-	-	100%

As at 31 March 2021

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
0.01% Non-cumulative convertible preference shares (NCCPS) of ₹ 10 each	Ashoka Liquors Private Limited	68,18,180	-	68,18,180	100%	0%
Total		68,18,180	-	68,18,180.00	100%	0%

As at 31 March 2020

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
0.01% Non-cumulative convertible preference shares (NCCPS) of ₹ 10 each	Ashoka Liquors Private Limited	-	68,18,180	68,18,180	100%	100%
Total		-	68,18,180.00	68,18,180.00	100%	100%

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

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in the case of interim dividend.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of fully paid-up equity shares held by the shareholders.

(f) The Company has issued 333,333 equity shares as fully paid-up for consideration other than cash during the period of five years immediately preceding the reporting date.

(g) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments.

(h) During the year ended March 2019, equity shares of face value Rs. 10 each were sub divided into 5 shares of Rs. 2 each.

(i) There are no bonus shares issued, or shares bought back during the period of five years immediately preceding the reporting date.

(j) Terms of NCCPS of ₹ 10 each fully paid-up :

During the year ended 31 March 2019, the Company had received a sum of ₹ 7,500 million towards proposed allotment of preference shares of the Company. Considering Management's decision to delay the further issue of share capital towards the end of May 2019, the amount received was disclosed as "Current Liabilities". The amount was repaid subsequent to the previous year end, within the prescribed time. Further during June 2019, the Company again received ₹ 7,500 million towards allotment of share capital against which, the Company issued 6,818,180, 0.01% non-cumulative, convertible preference shares (NCCPS) of ₹10 each fully paid-up at a premium of ₹ 100 per share on 4 July 2019.

The preferential dividend shall be non-cumulative, and accordingly, if and to the extent that the profits available for distribution are not sufficient to pay the full amount (or any part thereof) of the preferential dividend due for payment in any financial year, then the investor(s) shall not have the right to receive the unpaid preferential dividend in the future financial years.

The preferential dividend on these NCCPS was non-cumulative, and accordingly, if and to the extent that the profits available for distribution are not sufficient to pay the full amount (or any part thereof) of the preferential dividend due for payment in any financial year, then the investor(s) had no right to receive the unpaid preferential dividend in the future financial years.

NCCPS shall be entitled to receive dividend (if any declared by the Company) or repayment of capital in priority to any payment of dividend or repayment of capital to the holders of any other class of shares.

Each NCCPS will be convertible into one fully paid-up equity shares of ₹ 2 each in the paid-up share capital of the Company solely at the option of the Board of Directors of the Company. The holders of NCCPS shall not have any right to opt for conversion at any time during the period of maturity.

If the NCCPS are not converted into equity shares, each NCCPS will be redeemed at such price and at the option of the Company after the expiry of 20 years from the date of allotment.

Terms and conditions of NCCPS may be varied by the Company subject to the mutual agreement of both parties and as per applicable laws

NCCPS shall be redeemed only out of the profits of the Company which would otherwise be available for dividends or out of proceeds of fresh issue of preference shares made for the purpose of redemption.

The Company in its preference shareholder meeting dated 7 July 2021 has changed the terms of NCCPS. Thereafter the NCCPS has been redeemed on 8 July 2021.

Notes to the Restated Consolidated Financial Information

22 Other equity

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Capital reserve	0.08	0.08	0.08	0.08
Securities premium	1,102.78	1,784.60	1,784.60	1,102.78
General reserve	482.30	550.48	550.48	550.48
Capital redemption reserve	68.18	-	-	-
Surplus in the statement of profit and loss (retained earnings)	983.71	943.35	921.72	793.70
Total	2,637.05	3,278.51	3,256.88	2,447.04

Nature and purpose of reserves

(i) Capital reserve

Capital reserve represents capital surplus. The reserve is not for any specific purpose but the utilisation will be in accordance with provisions of Companies Act 2013.

(ii) Securities premium

Securities premium represents the premium received on the issue of shares. The reserve is to be utilised in accordance with the provisions of Companies Act, 2013.

(iii) General reserve

General reserve is created by way of transfer of profits from retained earnings for appropriation purpose. This reserve is a distributable reserve.

(iv) Capital redemption reserve

The reserve is created by way of transfer of profits from general reserve on account of redemption of non-cumulative convertible preference shares. This reserve will be utilised as per the provision of Companies Act, 2013.

(v) Surplus in the statement of profit and loss

Surplus in the statement of profit and loss pertain to the accumulated earnings made by the Company over the years.

Change in balance of capital reserve

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the period/year	0.08	0.08	0.08	0.08
Balance at the end of the period/year	0.08	0.08	0.08	0.08

Change in balance of securities premium

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the period/year	1,784.60	1,784.60	1,102.78	1,102.78
Issue of preference shares at premium	-	-	681.82	-
Utilised for redemption of preference shares	(681.82)	-	-	-
Balance at the end of the period/year	1,102.78	1,784.60	1,784.60	1,102.78

Change in balance of general reserve

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the period/year	550.48	550.48	550.48	550.48
Transfer to capital redemption reserve	(68.18)	-	-	-
Balance at the end of the period/year	482.30	550.48	550.48	550.48

Change in balance of capital redemption reserve

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the period/year	-	-	-	-
Transfer from General reserve	68.18	-	-	-
Balance at the end of the period/year	68.18	-	-	-

Surplus in the statement of profit and loss

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the period/year (profit and loss)	943.35	921.72	793.70	640.00
Add: Profit for the period/year	33.02	25.08	127.93	152.01
Transition impact on account of adoption of Ind AS 116 'Leases'	-	-	-	(0.73)
Tax impact on account of adoption of Ind AS 116 'Leases'	-	-	-	0.26
Actuarial gains / (loss) on defined benefit obligations (net of tax)	7.34	(3.45)	0.09	2.16
Balance at the end of the period/year	983.71	943.35	921.72	793.70

23 Borrowings (non-current)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Terms loans, Secured				
Vehicle loans from banks (Refer note a)	2.01	10.35	21.54	39.02
Vehicle loans from financial institutions	-	-	-	18.11
Indian rupee term loans from banks (Refer note b.i)	1,280.21	1,057.80	1,252.26	1,787.26
Indian rupee term loans from financial institutions (Refer note b.ii)	769.08	868.93	945.76	-
Foreign currency term loans from banks (Refer note b.iii)	39.49	77.24	131.51	162.74
Indian rupee term loans from financial institutions (Refer note b.ii)	-	-	-	547.79
Unsecured				
Others corporate* (Refer note 47)	-	-	130.00	130.00
Total	2,090.79	2,014.32	2,481.07	2,684.92

Nature of securities and terms of repayment

a) The vehicle loans from banks and others are secured against specific vehicles. The loans are repayable in monthly instalments ranging from ₹ 0.17 million to ₹ 0.95 million (31 March 2021 - ₹ 0.17 million to ₹ 0.95 million, 31 March 2020 - ₹ .01 million to ₹ 0.95 million, 31 March 2019 - ₹ 0.01 million to ₹ 0.95 million), the last instalment being due in August 2023. The rate of interest on these loans varies between 8.39% to 9.17% p.a. (31 March 2021 - 8.39% to 9.17% p.a., 31 March 2020 - 8.01% to 9.17% p.a. and 31 March 2019 - 8.01% to 9.17%)

b) Details of repayment, rate of interest and security for loans from bank and financial institutions including current maturities :

(₹ in million)

Name of the Lender/ Nature of securities	Rate of Interest	Terms of Repayment	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Indian rupee term loans from banks						
Lakshmi Vilas Bank Limited : (1) First pari-passu charge on the entire movable and immovable fixed assets of the Company (both present and future) on pari-passu basis other than those exclusively charged along with existing lenders. (2) Second pari-passu charge on the entire current assets of the Company including stock and book debts.	1.45% above base rate Effective rate of interest being 11.45 % p.a. as on 31 December 2021 (31 March 2021: 12.5% p.a., 31 March 2020: 11.75% p.a., 31 March 2019: 13.15% p.a.)	5 quarterly instalments of ₹ 42.80 million till January 2023.	213.76	341.74	429.00	585.00
South Indian Bank Limited : Primary Securities: (1) First pari passu charge on the entire movable and immovable fixed assets of the Company (both present and future) other than exclusively charged along with existing lenders; (2) First pari passu charge on property in the name of M/s Tracstar Distillers Private Limited (Refer note 47); (3) Second pari-passu charge on entire current assets of the Company; and (4) Corporate guarantee of M/s Tracstar Distillers Private Limited. (Refer note 47)	2.80% spread over and above 12 month MCLR - 11.05% p.a. as on 31 December 2021 (31 March 2021: 11.7% p.a., 31 March 2020: 12.8% p.a., 31 March 2019: 11.18% p.a.)	10 quarterly instalments of ₹ 20.73 million till April 2024	206.92	268.86	352.38	441.55
Yes Bank Limited : (1) First pari-passu charge on the entire movable and immovable fixed assets of the Company (both present and future) other than exclusively charged along with existing lenders; (2) Second pari-passu charge on entire current assets of the Company; and (3) Corporate guarantee of M/s Tracstar Distillers Private Limited (Refer note 47)	Effective rate of interest as on 31 December 2021 is NA (31 March 2021: 11.95% p.a., 31 March 2020: 11.65% p.a., 31 March 2019: 11.65 to 12.45% p.a.)	NA	-	223.65	351.80	1,264.74
IndusInd Bank Limited: (1) First pari passu charge on the entire movable and immovable fixed assets of the Company (both present and future) other than exclusively charged along with existing lenders; and ; (2) Second pari-passu charge on entire current assets of the Company.	1.00% spread over and above 1 year MCLR - 9.10 % p.a. as on 31 December 2021 (31 March 2021: 9.25 % - 9.35% p.a., 31 March 2020: 9.95% p.a., 31 March 2019: 10.2% p.a.)	1 instalments ₹ 20 million to be paid every quarter till May 2022 6 instalments of ₹ 43.49 million to be paid every quarterly till June 2023 19 instalments of ₹ 15 million to be paid every quarterly till Sept 2026	33.23	92.39	128.02	333.56
SVC Co-operative Bank Ltd. : (1) First pari passu charge on the entire movable and immovable fixed assets of the Company (both present and future) other than exclusively charged along with existing lenders; (2) Second pari passu charge with existing term lenders on current assets.	-8.30% spread over PLR. Effective Rate of Interest as on 31 December 2021 is 9.75% p.a., (31 March 2021 is 9.75% , 31 March 2020 - Nil , 31 March 2019 - Nil)	60 monthly instalments of ₹ 8.33 million starting from 1 September 2022, till August 2027.	494.54	493.24	-	-

(₹ in million)						
Name of the Lender/ Nature of securities	Rate of Interest	Terms of Repayment	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Indian rupee term loans from banks						
Karur Vyassa Bank Ltd (KVB): Exclusive charge on commercial property located at Ashford Centre, Floor No. 3,4,7 Senapati Bapat Marg, Lower Parel	0.75% over and above the MCL rate of the bank effective rate 9.0 % p.a as on 31st December 2021(31 March 2021 : NA)	117 equal monthly instalments of ₹ 3.80 million till Sept ,31	295.93	-	-	-
Standard Chartered Bank: Equitable mortgage of company's premises owned by ABD Dwelling Private Limited	Rate of interest 31 December 2021 7% (31 March 2021 NA, 31 March 2020 NA, 31 March 2019 NA)	Repayable in equated monthly Instalments of ₹ 6.99 million within maximum tenure of 20 year	140.42	-	-	-
(ii) Indian rupee term loans from financial institutions						
Aditya Birla Finance Limited (ABFL): Exclusive charge on commercial property located at Ashford Centre, Floor No. 1st and 2nd Senapati Bapat Marg, Lower Parel	Long Term Reference Rate of ABFL(LTRR) + Spread. LTRR at present is 17.85%. Spread at present is - 8.6%. Effective rate of interest as on 31 December 2021 is 9.25 p.a. (31 March 2021: 11.25% p.a., 31 March 2020: 11.25% p.a., 31 March 2019: 11.25% p.a.)	42 equal monthly instalments of ₹ 10.79 million and 2 additional principal amount payable in 50th month and 51th month of ₹ 11. 51 million till Mar 2026	452.96	511.07	556.85	639.71
Aditya Birla Finance Limited (ABFL): Exclusive charge at Industrial Property spread across land area of 6.73 acres owned by Ashoka Liquors Private Limited. (Refer note 47)	Long Term Reference Rate of ABFL(LTRR) + Spread. LTRR at present is 17.85%. Spread at present is - 8.6%. Effective rate of interest as on 31 December 2021 is 9.25 p.a. (31 March 2021: 11.70% p.a., 31 March 2020: 11.25% p.a., 31 March 2019: 11.25% p.a.)	83 monthly instalments ranging from ₹ 6.51 million lakhs to 9.16 million till 15 July 2029	452.41	468.81	471.03	-
(iii) Foreign currency term loans from banks						
Axis Bank Limited: (1) First pari passu charge on the entire movable and immovable fixed assets (both present and future) other than exclusively charged along with existing lenders; (2) Second pari-passu charge on entire current assets of the Company ; and (3) Personal guarantee of Mr. Kishore Chhabria (Refer note 47)	LIBOR+4.75% - 4.91% p.a. as on 31 December 2021 (31 March 2021: 5.01% p.a., 31 March 2020: 6.67% p.a., 31 March 2019: 3.75% p.a.)	USD 0.18 million (₹ 13.32 million) to be paid every quarter till September 2023	91.77	129.52	183.04	225.75
Total			2,908.24	2,901.74	3,006.33	3,490.31

* Unsecured loan from related party is chargeable at a fixed rate of interest at 15% p.a

Note : First charge on current assets is with working capital bankers. Second charge would be ceded on reciprocal basis, in line with the existing security structure.

(c) Reconciliation of liabilities arising from financing activities

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents	170.47	434.89	722.82	189.42
Lease liabilities	183.62	198.01	188.15	189.67
Non-current borrowings (including current maturities)	2,920.67	2,927.62	3,202.62	3,728.74
Current borrowings	6,348.23	6,619.77	7,119.68	9,622.83

(₹ in million)

Particulars	Cash and cash equivalents	Lease liabilities	Non-current borrowings (including current maturities)	Current borrowings	Liability component of compound financial instrument	Others#	Total
Balance as at 1 April 2018	121.71	-	4,802.69	11,776.88	-	-	16,701.28
Transition impact on account of adoption of Ind AS 116 'Leases'	-	2.69	-	-	-	-	2.69
Cash flows (net)	65.02	-	-	-	-	-	65.02
On account of merger of Henkell	2.69	-	-	-	-	-	2.69
Unrealised loss	-	-	50.62	-	-	-	50.62
Addition of lease liabilities	-	216.54	-	-	-	-	216.54
Repayment of lease liabilities	-	(42.94)	-	-	-	-	(42.94)
Proceeds/repayment of borrowings (net)	-	-	(1,172.11)	(2,185.99)	-	-	(3,358.10)
Finance costs	-	13.38	506.49	1,219.50	-	136.92	1,876.29
Finance costs paid	-	-	(458.95)	(1,187.56)	-	(136.92)	(1,783.43)
Balance as at 31 March 2019	189.42	189.67	3,728.74	9,622.83	-	-	13,730.66
Cash flows (net)	533.40	-	-	-	-	-	533.40
Unrealised loss	-	-	11.46	-	-	-	11.46
Addition of lease liabilities	-	0.12	-	-	-	-	0.12
Repayment of lease liabilities	-	(21.34)	-	-	-	-	(21.34)
Proceeds/repayment of borrowings (net)	-	-	(571.03)	(2,503.15)	-	-	(3,074.18)
Finance costs	-	19.70	459.39	1,141.72	-	181.26	1,802.07
Finance costs paid	-	-	(425.94)	(1,141.72)	-	(181.26)	(1,748.92)
Balance as at 31 March 2020	722.82	188.15	3,202.62	7,119.68	-	-	11,233.27
Cash flows (net)	(287.93)	-	-	-	-	-	(287.93)
Unrealised loss	-	-	-	-	-	-	-
Addition of lease liabilities	-	59.79	-	-	-	-	59.79
Repayment of lease liabilities	-	(71.75)	-	-	-	-	(71.75)
Proceeds/repayment of borrowings (net)	-	-	(241.07)	(499.91)	-	-	(740.98)
Finance costs	-	21.82	337.58	805.29	-	250.41	1,415.10
Finance costs paid	-	-	(371.51)	(805.29)	-	(250.41)	(1,427.21)
Balance as at 31 March 2021	434.89	198.01	2,927.62	6,619.77	-	-	10,180.29
Cash flows (net)	(474.99)	-	-	-	-	-	(474.99)
On account of acquisition of subsidiary	210.57	-	190.40	-	-	-	400.97
Unrealised loss	-	-	(2.18)	-	-	-	(2.18)
Proceeds/repayment of borrowings (net)	-	-	(195.17)	(310.40)	-	-	(505.57)
Addition of lease liabilities	-	1.47	-	-	-	-	1.47
Repayment of lease liabilities	-	(31.68)	-	-	-	-	(31.68)
Liability component of compound financial instrument	-	-	-	-	72.73	-	72.73
Finance costs	-	15.82	243.71	579.88	2.93	264.41	1,106.75
Reclassification	-	-	-	38.86	(38.86)	-	-
Finance costs paid	-	-	(243.71)	(579.88)	(36.80)	(264.41)	(1,124.80)
Balance as at 31 December 2021	170.47	183.62	2,920.67	6,348.23	-	-	9,622.99

Represents liabilities other than borrowings / leases for which the Group has incurred finance costs.

24 Lease liabilities (non-current)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Lease obligation (Refer note 67)	183.62	198.01	188.15	189.67
Less: Current maturities of lease obligation	(19.46)	(27.42)	(62.53)	(43.98)
Total	164.16	170.59	125.62	145.69

25 Provisions (non-current)

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits				
Gratuity (Refer note 48)	93.31	90.42	81.99	78.45
Superannuation	30.32	35.75	34.10	35.19
Total	123.63	126.17	116.09	113.64

26 Current borrowings

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Secured				
Cash credit/working capital demand loan from banks (repayable on demand) (Refer note (a)(i))	2,950.01	3,341.11	3,527.51	4,514.22
Bill discounting (repayable on demand) (Refer note (a)(ii))	3,094.08	3,058.47	3,370.44	4,623.61
Current maturities of long-term debts	819.46	897.77	676.80	993.22
Current maturities of vehicle loans from banks	10.42	15.53	44.75	50.60
Unsecured				
Cash credit/working capital demand loan from banks (repayable on demand)	129.93	181.38	-	136.67
From other corporates	37.99	37.99	37.99	43.33
From related party (Director) (repayable on demand) (Refer note 47)	5.66	-	120.00	130.00
From related party (Refer note 47)				
Liability component of compound financial instrument (Refer note 47 and 70(ii))	38.86	-	-	-
Others corporate (Refer note 47)	91.70	0.82	63.75	175.00
Total	7,178.11	7,533.07	7,841.24	10,666.65

a) Details of security for loans :

(₹ in million)

Name of the Bank	Nature of securities	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Cash credit/working capital demand loan from banks (repayable on demand)					
Axis Bank Limited	Primary - First pari passu hypothecation charge on entire current assets. Collateral - (i) First pari passu charge on property in the name of M/s Tracstar Distillers Private Limited; (ii) Second pari passu charge on all movable and immovable fixed assets of the Company present and future except assets which are exclusively charged to term loan lenders;	145.34	197.47	198.45	646.86
Axis Bank Limited	Corporate guarantee - M/s Tracstar Distillers Private Limited (Refer note 47).	300.00	420.00	420.00	-
State Bank of India	Primary - First pari passu hypothecation charge on entire current assets. Collateral - (i) First pari passu charge on property in the name of M/s Tracstar Distillers Private Limited; (ii) Second pari passu charge on fixed assets or mortgaged properties of the Company present and future except building / vehicle which are exclusively charged to other lenders. Corporate guarantee - M/s Tracstar Distillers Private Limited (Refer note 47).	671.44	804.72	906.16	948.70
Yes Bank Limited	(i) First pari passu hypothecation charge on entire current assets. (ii) Second pari passu charge on all movable fixed assets of the Company present and future except assets which are exclusively charged to term loan lenders. (iii) Extension of second pari passu charge by way of equitable mortgage over the factory, land and building and other immovable assets of the Company located at plot no. 5,6,7 and 7A, MIDC, Industrial Area, Aurangabad. (iv) Extension of first pari passu charge by way of equitable mortgage over the factory, land and building and other immovable assets belonging to M/s Tracstar Distillers Private Limited. (v) Corporate guarantee of M/s Tracstar Distillers Private Limited (Refer note 47).	526.37	521.54	502.92	510.00
South Indian Bank Limited	Primary - First pari passu hypothecation charge on entire current assets. Collateral - (i) First pari passu charge on property in the name of M/s Tracstar Distillers Private Limited; (ii) Second pari passu charge on all immovable fixed asset of the Company excluding exclusively charged to other lenders. Corporate guarantee - M/s Tracstar Distillers Private Limited (Refer note 47).	450.94	450.12	452.23	452.57
Rabo Bank	(i) First pari passu charge by way of hypothecation of all present and future current assets; (ii) Second pari passu charge on all immovable fixed assets present and future of the Company.	298.14	494.26	598.58	1,112.77
Saraswat Co-operative Bank Ltd.	Primary - First pari passu charge on entire current assets of the Company. Collateral - (i) Second hypothecation charge on pari passu basis on all movable and immovable assets of the Company (except vehicle, freehold land of Ambala and office premises); (ii) Second Pari passu charge on factory land and building of M/s Tracstar Distilleries Private Limited. Corporate guarantee - M/s Tracstar Distillers Private Limited (Refer note 47).	399.75	394.00	398.32	396.34
SVC Co-operative Bank Ltd.	Secured against fixed deposit	7.80	8.25	-	-
IndusInd Bank Limited	Primary - First pari passu hypothecation charge on entire current assets. Collateral - (i) First pari passu charge on property in the name of M/s Tracstar Distillers Private Limited; (ii) Second pari passu charge on all immovable fixed asset of the Company excluding exclusively charged to other lenders.	100.00	-	-	-
Punjab National Bank	Secured against fixed deposit	50.23	50.75	50.85	-
Standard Chartered Bank	* All working capital borrowings (cash credit / working capital demand loan) are se first pari passu charge on current assets both present and future charge on property, plant and equipment and capital work in progress (Except those exclusively to other vendor (vehicle loan to HUDCO and Loan against property (LAP)) The Working Capital Borrowing also have a Corporate Guarantee from M/s Tracstar Distillers Private Limited (Refer note 47).	-	-	-	446.98
Sub-total		2,950.01	3,341.11	3,527.51	4,514.22
(ii) Bill discounting (repayable on demand)					
IDFC First Bank	Primary - Exclusive charge over Telangana State Beverage Corporation Ltd. (TSBCL) cash flows. Collateral - Second pari passu charge on immovable assets of the Company. Corporate guarantee - M/s Tracstar Distillers Private Limited (Refer note 47).	1,794.93	1,476.09	1,760.60	2,996.00
IndusInd Bank Limited	Book debts: SID Receivables Exclusive Charge over receivable of West Bengal Sales Corporation Ltd(BEVCO) to the extent of 1.1x	644.93	634.01	646.79	645.97
Yes Bank Limited	(i) First pari passu hypothecation charge on entire current assets. (ii) Second pari passu charge on all movable fixed assets of the Company present and future except assets which are exclusively charged to term loan lenders. (iii) Extension of first pari passu charge by way of equitable mortgage over the factory, land and building and other immovable assets belonging to M/s Tracstar Distillers Private Limited. (iv) Corporate guarantee of M/s Tracstar Distillers Private Limited (Refer note 47).	654.22	948.37	963.05	981.64
Sub-total		3,094.08	3,058.47	3,370.44	4,623.61

Note : First charge on current assets is with working capital bankers. Second charge would be ceded on reciprocal basis, in line with the existing security structure.

27 **Current lease liabilities** (₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Lease obligation (Refer note 67)	19.46	27.42	62.53	43.98
Total	19.46	27.42	62.53	43.98

28 **Trade payables** (₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Trade payables				
Dues of micro and small enterprises	1,320.26	1,559.88	1,674.53	955.41
Dues of creditors other than micro and small enterprises	2,124.78	2,154.34	2,695.97	2,997.26
Total	3,445.04	3,714.22	4,370.50	3,952.67

Note - The dues to micro and small enterprises as required under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED) to the extent information available with the Group is given below :

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(a) Principal amount and Interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 :				
Principal amount due to micro and small enterprises	1,320.26	1,559.88	1,674.53	955.41
Interest due on above	-	-	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006. (Refer note 49(u))	-	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-	-

29 Other current financial liabilities (₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Employees related liabilities	135.75	138.12	133.36	174.91
Due to tie-up units	1,103.44	1,111.42	847.37	1,127.99
Trade and other deposits	309.74	662.25	703.38	306.44
Other payables for expenses	1,749.05	1,237.96	1,287.21	1,224.56
Payable towards capital expenses	33.22	66.23	64.62	150.61
Total	3,331.20	3,215.98	3,035.94	2,984.51

30 Other current liabilities (₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Statutory dues	3,811.45	2,069.02	1,776.35	1,685.76
Advances from customers				
- Related party (Refer note 47)	7.50	7.50	9.77	0.98
- Others	227.00	120.40	235.66	191.18
Total	4,045.95	2,196.92	2,021.78	1,877.92

31 Current Provisions (₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits				
Gratuity (Refer note 48)	25.27	31.94	30.30	22.27
Compensated absences (Refer note 48)	112.91	111.43	110.19	117.58
Superannuation	0.53	4.12	4.57	2.12
Total	138.71	147.49	145.06	141.97

32 Current tax liabilities (₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Provision for tax [net of advance tax of ₹ 23.30 million (31 March 2021: ₹ 23.30 million) (31 March 2020: ₹ 83.53 million)(31 March 2019: ₹ 50.35 million)]	3.89	21.68	7.63	35.79
Total	3.89	21.68	7.63	35.79

33 Revenue from operations

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue from contracts with customer				
Sale of goods				
Indian made foreign liquor (IMFL)	53,409.59	62,989.33	80,005.79	88,416.29
Extra neutral spirit (ENA)	296.28	294.89	455.22	262.66
By-products	554.43	302.39	562.82	452.95
Revenue from contracts with customer	54,260.30	63,586.61	81,023.83	89,131.90
Other operating revenue				
Royalty	2.99	6.02	9.86	8.21
Export entitlements	87.49	103.98	51.12	91.91
Scrap and other sales	99.06	91.15	105.84	113.95
Total	54,449.84	63,787.76	81,190.65	89,345.97

34 Other income

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Interest income on financial assets measured at amortised cost:				
Interest on deposits with bank	17.01	26.33	20.95	12.91
Interest on loans to related party (Refer note 47)	3.22	3.40	2.13	7.11
Interest on deposits and advances	0.33	0.78	0.78	1.55
Interest on refund of income tax	-	-	8.43	0.03
Profit on sale of investment	-	-	0.13	14.65
Liabilities no longer required written back	7.75	60.61	59.00	62.89
Profit on sale of property, plant and equipment	3.61	0.63	-	2.64
Fair value changes of investments measured at fair value through profit and loss	-	-	-	0.16
Provision against receivables, written back on account of acquisition of Henkell (net of impairment of goodwill of ₹ Nil (31 March 2021: Nil, 31 March 2020: Nil, 31 March 2019: 30.97 million) (Refer note 51)	-	-	-	1.63
Provision no longer required written back	-	24.53	10.11	-
Refund of excess statutory dues paid	16.83	46.97	41.82	-
Foreign exchange gain - (net)	12.51	-	-	-
Miscellaneous income	14.63	27.11	22.12	19.03
Total	75.89	190.36	165.47	122.60

35 Cost of materials consumed

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Raw materials consumed	6,006.21	6,297.87	9,048.77	8,194.52
Packing materials consumed	5,999.13	7,606.57	9,402.44	10,171.32
Total	12,005.34	13,904.44	18,451.21	18,365.84

36 Purchases of stock-in-trade

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Purchase of Indian made foreign liquor (IMFL)	36.96	37.30	51.81	49.47
Other purchases	-	-	-	1.80
Total	36.96	37.30	51.81	51.27

37 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Opening stock				
Finished goods	1,794.99	2,107.11	2,144.55	1,564.99
Work-in-progress	217.92	251.04	350.90	203.48
Stock-in-trade	3.25	3.25	2.23	7.16
	2,016.16	2,361.40	2,497.68	1,775.63
Less:				
Closing stock				
Finished goods	2,451.38	1,794.99	2,107.11	2,144.55
Work-in-progress	261.49	217.92	251.04	350.90
Stock-in-trade	3.25	3.25	3.25	2.23
	2,716.12	2,016.16	2,361.40	2,497.68
Increase/ (Decrease) in inventories	(699.96)	345.24	136.28	(722.05)
Increase in excise duty on finished goods	272.92	(76.47)	39.35	396.81
Total	(427.04)	268.77	175.63	(325.24)

38 Employee benefit expense

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Salaries, wages and bonus	1,360.52	1,601.48	1,671.05	1,634.18
Contribution to provident and other funds (Refer note 48)	78.19	101.51	97.38	95.43
Staff welfare expenses	13.87	19.39	17.21	34.92
Total	1,452.58	1,722.38	1,785.64	1,764.53

39 Other expenses

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Consumption of stores and spare parts	153.16	157.89	184.65	206.08
Power and fuel	400.23	263.67	353.93	340.32
Rent	45.98	72.55	104.31	118.12
Contract labour charges	457.11	553.88	585.42	596.87
Repairs to building	2.92	2.58	3.28	3.99
Repairs to machinery	48.86	55.75	67.12	73.68
Repairs others	101.73	70.26	72.55	70.56
Insurance	49.80	49.94	30.45	26.61
Security charges	42.01	52.67	44.95	42.37
Rates and taxes	320.27	444.34	445.01	416.99
Excise levies and escort charges	719.23	914.94	1,211.86	1,148.00
Import fee	2.13	4.64	2.45	2.39
Bottling charges	332.20	404.11	582.14	650.78
Water charges	11.18	11.88	22.06	13.40
Travelling expenses	95.59	92.55	184.22	223.09
Legal and professional fees	224.69	292.91	287.87	259.75
Merger expenses	-	-	0.05	10.21
Selling and distribution expenses	701.99	747.74	995.07	1,130.11
Sales and business promotion	704.30	906.63	1,316.18	1,685.30
Commission	242.19	241.03	464.21	471.82
Conference and seminar	0.93	0.78	5.60	7.62
Provision for doubtful debts	41.30	114.42	8.89	44.11
Provision for doubtful advances	-	-	37.50	37.51
Bad debts and advances written off (Net of provision reversal ₹ 8.45 million, (31 March 2021: ₹ 36.83 million, 31 March 2020: Nil, 31 March 2019: Nil)	91.60	5.00	41.13	-
Loss on sale of property, plant and equipment	-	-	5.67	0.12
Impairment of investments/ assets	-	-	-	2.00
Donations	0.08	10.10	0.03	3.59
Corporate social responsibilities (Refer note 59)	0.37	18.36	2.32	5.10
Bank charges	5.10	6.23	0.51	10.28
Foreign exchange loss - (net)	-	19.02	1.46	60.64
Miscellaneous expenses	80.88	97.30	99.36	106.51
Total	4,875.83	5,611.17	7,160.25	7,767.92

40 Finance costs

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
On financial liabilities measured at amortised cost				
Term loans	243.71	337.58	459.39	506.49
On working capital facility from bank	561.67	794.39	1,105.05	1,200.77
On lease liabilities	15.82	21.82	19.70	13.38
Interest on delay in payment of statutory dues	153.06	92.86	69.49	58.78
Reimbursement to tie-up units for interest on delayed payments	51.88	49.47	26.73	39.82
Interest on loan from related party (Refer note 47)	18.22	10.90	36.67	18.73
Interest others	62.39	108.08	85.04	38.32
Total	1,106.75	1,415.10	1,802.07	1,876.29

41 Depreciation and amortisation expenses

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of property, plant and equipment	388.32	521.70	632.69	713.97
Depreciation of right to use assets	32.43	49.49	42.78	25.95
Amortisation of intangible assets	12.53	16.22	18.76	36.34
Total	433.28	587.41	694.23	776.26

42 Other comprehensive income

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Items that will not be reclassified to profit or loss				
Actuarial gains / (loss) on defined benefit obligations	11.28	(5.31)	0.13	3.32
Income taxes on above	(3.94)	1.86	(0.04)	(1.16)
Total	7.34	(3.45)	0.09	2.16

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43 Tax expense/ (credit) (₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Current tax				
Current tax for the year	9.59	45.51	-	86.14
Tax adjustments in respect of earlier years	(17.99)	(11.90)	(3.92)	5.19
Total current tax expense	(8.40)	33.61	(3.92)	91.33
Deferred taxes				
Change in deferred tax assets (Other than adjustments in OCI)	17.67	47.44	92.23	107.91
Change in deferred tax assets in respect of earlier years	-	-	(178.69)	-
Change in deferred tax liabilities	3.70	21.32	(33.42)	(9.58)
Net deferred tax expense/(credit)	21.37	68.76	(119.88)	98.33
Total income tax expense/(credit), net	12.97	102.37	(123.80)	189.66

43.1 The reconciliation of estimated income tax expense at tax rate to income tax expense reported in the statement of profit and loss is as follows for:

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Profit before income tax expense	45.99	127.45	4.13	341.67
Income tax expense at statutory tax rate i.e. 34.94%	16.07	44.54	1.44	119.38
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income				
Carried forward business losses and depreciation adjusted	-	-	(178.69)	(130.35)
Permanent difference on account of fair valuation asset acquired	23.19	36.91	44.15	151.13
Permanent differences on account of expenses disallowed	0.16	10.61	-	-
Tax adjustments in respect of earlier years	(17.99)	(11.90)	(3.92)	5.19
Others	(8.46)	22.21	13.22	44.31
Income tax expense/(credit)	12.97	102.37	(123.80)	189.66

43.2 Deferred tax related to the following:

(₹ in million)

Particulars	As at 31 March 2021	Expense/ (credit)			As at 31 December 2021
		Adjusted to retained earnings**	Recognised in Profit and loss	Recognised in OCI	
Deferred tax liabilities on account of:					
Difference between book depreciation and depreciation as per Income Tax Act, 1961	92.43	-	6.81	-	99.24
Financial assets and financial liabilities at amortised cost	22.41	-	(3.20)	-	19.21
Others	6.26	-	0.09	-	6.35
Total deferred tax liabilities (A)	121.10	-	3.70	-	124.80
Deferred tax assets on account of:					
MAT credit entitlement	74.22	-	(34.59)	-	39.63
Employee benefits	98.44	-	3.20	(3.94)	97.70
Provision for expected credit loss	85.54	-	37.16	-	122.70
Difference in book values and tax base values of ROU assets and lease liabilities	3.77	-	2.08	-	5.85
Compound Financial Instrument	-	25.59	(11.85)	-	13.74
Others	19.56	-	(13.67)	-	5.89
Total deferred tax assets (B)	281.53	25.59	(17.67)	(3.94)	285.51
Deferred tax assets (net) (B - A)	160.43	25.59	(21.37)	(3.94)	160.71

**This pertains to deferred tax on compound financial instrument (Refer note 70 (ii)).

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(₹ in million)

Particulars	As at 31 March 2020	Expense/ (credit)			As at 31 March 2021
		Adjusted to retained earnings	Recognised in Profit and loss	Recognised in OCI	
Deferred tax liabilities on account of:					
Difference between book depreciation and depreciation as per Income Tax Act, 1961	62.22	-	30.21	-	92.43
Financial assets and financial liabilities at amortised cost	31.04	-	(8.63)	-	22.41
Others	6.52	-	(0.26)	-	6.26
Total deferred tax liabilities (A)	99.78	-	21.32	-	121.10
Deferred tax assets on account of:					
MAT credit entitlement	140.50	-	(66.28)	-	74.22
Employee benefits	95.54	-	1.04	1.86	98.44
Provision for expected credit loss	78.47	-	7.07	-	85.54
Difference in book values and tax base values of ROU assets and lease liabilities	4.51	-	(0.74)	-	3.77
Others	8.09	-	11.47	-	19.56
Total deferred tax assets (B)	327.11	-	(47.44)	1.86	281.53
Deferred tax assets (net) (B - A)	227.33	-	(68.76)	1.86	160.43

(₹ in million)

Particulars	As at 1 April 2019	Expense/ (credit)			As at 31 March 2020
		Adjusted to retained earnings*	Recognised in Profit and loss	Recognised in OCI	
Deferred tax liabilities on account of:					
Difference between book depreciation and depreciation as per Income Tax Act, 1961	89.43	-	(27.21)	-	62.22
Financial assets and financial liabilities at amortised cost	37.51	-	(6.47)	-	31.04
Others	6.26	-	0.26	-	6.52
Total deferred tax liabilities (A)	133.20	-	(33.42)	-	99.78
Deferred tax assets on account of:					
MAT credit entitlement	69.86	-	70.64	-	140.50
Employee benefits	91.72	-	3.86	(0.04)	95.54
Provision for expected credit loss	65.54	-	12.93	-	78.47
Difference in book values and tax base values of ROU assets and lease liabilities	2.62	-	1.89	-	4.51
Others	10.95	-	(2.86)	-	8.09
Total deferred tax assets (B)	240.69	-	86.46	(0.04)	327.11
Deferred tax assets (net) (B - A)	107.49	-	119.88	(0.04)	227.33

(₹ in million)

Particulars	As at 1 April 2018	Expense/ (credit)			As at 31 March 2019
		Adjusted to retained earnings*	Recognised in Profit and loss	Recognised in OCI	
Deferred tax liabilities on account of:					
Difference between book depreciation and depreciation as per Income Tax Act, 1961	112.93	-	(23.50)	-	89.43
Financial assets and financial liabilities at amortised cost	24.30	-	13.21	-	37.51
Others	5.55	-	0.71	-	6.26
Total deferred tax liabilities (A)	142.78	-	(9.58)	-	133.20
Deferred tax assets on account of:					
MAT credit entitlement	75.73	-	(5.87)	-	69.86
Employee benefits	82.97	-	9.91	(1.16)	91.72
Provision for expected credit loss	63.77	-	1.77	-	65.54
Unabsorbed depreciation and business loss	101.57	-	(101.57)	-	-
Difference in book values and tax base values of ROU assets and lease liabilities	-	0.26	2.36	-	2.62
Others	25.46	-	(14.51)	-	10.95
Total deferred tax assets (B)	349.50	0.26	(107.91)	(1.16)	240.69
Deferred tax assets (net) (B - A)	206.72	0.26	(98.33)	(1.16)	107.49

*Tax impact on account of adoption of Ind AS 116 'Leases' (Refer note 22)

44 Fair value measurements

Financial instruments by category

(₹ in million)

Particulars	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Amortised cost				
<u>Financial assets - non-current</u>				
Investment	0.01	0.01	0.01	0.01
Loans	83.25	86.16	81.63	97.57
Other financial assets	327.24	405.58	300.86	248.27
<u>Financial assets - current</u>				
Trade receivables	10,100.62	8,669.29	9,347.45	11,394.82
Cash and cash equivalents	170.47	434.89	722.82	189.42
Other bank balances	367.53	267.61	310.26	204.50
Loans	47.31	93.62	41.67	58.39
Other financial assets	606.05	160.31	328.12	162.72
<u>Financial liabilities - non-current</u>				
Borrowings	2,090.79	2,014.32	2,481.07	2,684.92
Lease liabilities	164.16	170.59	125.62	145.69
<u>Financial liabilities - current</u>				
Borrowings (including current maturities)	7,178.11	7,533.07	7,841.24	10,666.65
Lease liabilities	19.46	27.42	62.53	43.98
Trade payables	3,445.05	3,714.22	4,370.50	3,952.67
Other financial liabilities	3,331.20	3,215.98	3,035.94	2,984.51
Share application money	-	-	-	750.00
Fair value through other comprehensive income				
Non-current investment	-	221.04	-	-
Fair value through profit & loss				
Non-current investment	0.03	0.03	0.03	0.03

Note : All the above amounts are net of provisions for impairment.

I. Fair value hierarchy

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

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

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

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

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

The carrying amounts of investment, loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables, borrowings, lease liabilities and other financial liabilities are considered to be approximately equal to the fair value, due to their short term nature and are re-priced frequently. All financial assets and liabilities are categorised under Level 3 of fair value hierarchy. There has been no transfers between levels during the period mentioned above.

45 Financial risk management

The Group is exposed primarily to fluctuations in foreign exchange, interest rate, credit quality and liquidity management which may adversely impact the fair value of its financial assets and liabilities. The Group has a risk management policy which covers the risk associated with its financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Group.

The Group's principal financial liabilities comprises of borrowings, lease liabilities, trade payables and other financial liabilities. The Group's principal financial assets include loans, trade receivables, cash and bank balances and other bank balances, other financial assets that derive directly from its operations.

A Credit risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost and other balances with banks and financial institutions, as well as credit exposures to trade receivables.

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables (gross) amounting to ₹ 10,351.49 million (31 March 2021: ₹ 8,892.69 million) (31 March 2020: ₹ 9,505.22 million) (31 March 2019: ₹ 11,543.70 million). Trade receivables are typically unsecured and are derived from revenue earned from 2 major classes of customers, receivable from sales to government corporations and receivables from sales to private third parties.

Credit risk is managed by the Group through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group uses expected credit loss model, which is applied to overdue receivables other than receivables from parties where the risk is assessed to be insignificant. The Group's credit risk is concentrated mostly to states where goods are sold to private third parties.

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

The table below provide details regarding past dues receivables as at each reporting date:

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Upto 180 days	9,200.65	7,140.95	8,680.50	10,572.75
More than 180 days	1,150.84	1,751.74	824.72	970.95
Total	10,351.49	8,892.69	9,505.22	11,543.70
Provision for expected credit loss	(250.87)	(223.40)	(157.77)	(148.88)

B Liquidity risk

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

The liquidity risk principally arises from obligations on account of financial liabilities viz. borrowings, lease liabilities, trade payables and other financial liabilities.

The finance department of the Group is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through trade receivables or through short term borrowings on need basis.

(i) Financing arrangements :

The Group had access to the following undrawn borrowing facilities at the end of reporting period:

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Floating rate				
Expiring within one year (Cash credit/ working capital demand loan/term loan)	912.34	365.99	159.91	12.40

(ii) Maturities of financial liabilities :

The table below summarises the maturity profile of the Group's financial liabilities based on contractual discounted payments at each reporting date. Amounts disclosed under note 23 are carrying values based on amortised cost:

As at 31 December 2021

(₹ in million)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-derivatives				
Borrowings (including current maturities)	7,178.11	1,623.86	466.93	9,268.90
Lease liabilities	19.46	117.68	46.48	183.62
Trade payables	3,445.05	-	-	3,445.05
Other financial liabilities	3,331.20	-	-	3,331.20
Total	13,973.82	1,741.54	513.41	16,228.77

As at 31 March 2021

(₹ in million)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-derivatives				
Borrowings (including current maturities)	7,533.07	1,587.28	427.04	9,547.39
Lease liabilities	27.42	106.68	63.91	198.01
Trade payables	3,714.22	-	-	3,714.22
Other financial liabilities	3,215.98	-	-	3,215.98
Total	14,490.69	1,693.96	490.95	16,675.60

As at 31 March 2020

(₹ in million)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-derivatives				
Borrowings (including current maturities)	7,841.24	2,042.73	438.34	10,322.31
Lease liabilities	62.53	40.62	85.00	188.15
Trade payables	4,370.50	-	-	4,370.50
Other financial liabilities	3,035.94	-	-	3,035.94
Total	15,310.21	2,083.35	523.34	17,916.90

As at 31 March 2019

(₹ in million)

Particulars	Upto 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-derivatives				
Borrowings (including current maturities)	10,666.65	2,572.77	112.15	13,351.57
Lease liabilities	43.98	60.69	85.00	189.67
Trade payables	3,952.67	-	-	3,952.67
Other financial liabilities	2,984.51	-	-	2,984.51
Share application money	750.00	-	-	750.00
Total	18,397.81	2,633.46	197.15	21,228.42

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C Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and price risk. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk primarily relates to fluctuations in receivables, trade payables, borrowings and other payables denominated in USD, GBP and AED against the functional currency INR of the Group and its subsidiaries.

The Group's risk management policy is to assess the Group's net exposures which is mainly represented by receivable and payable towards exports and imports respectively, and partly represented by the loans availed in foreign currencies. The Group can hedge its net exposures with a view on forex outlook. Since the net exposure is currently not material, this has not been hedged. The group's exposure to foreign currency changes for all currencies is not material.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative contracts outstanding

(Amount in million)

Particulars	31 December 2021		31 March 2021		31 March 2020		31 March 2019	
Forward contracts to sell USD	-	-	USD	0.25	-	-	-	-
Forward contracts to buy USD	-	-	USD	1.25	-	-	-	-

(b) The Group's exposure to unhedged foreign currency risk at the end of reporting period are as under:

(Amount in million)

Particulars	31 December 2021			31 March 2021		
	USD	GBP	AED	USD	GBP	AED
Financial assets						
Trade receivables	3.43	-	-	2.84	-	-
Exposure to foreign currency risk (assets)	3.43	-	-	2.84	-	-
Financial liabilities						
Trade payables	-	0.47	-	-	1.11	0.00
Borrowings	4.76	-	-	1.76	-	-
Employees related liabilities	-	-	0.09	-	-	0.13
Exposure to foreign currency risk (liabilities)	4.76	0.47	0.09	1.76	1.11	0.13

(Amount in million)

Particulars	31 March 2020			31 March 2019		
	USD	GBP	AED	USD	GBP	AED
Financial assets						
Trade receivables	2.16	0.01	-	2.02	0.01	-
Exposure to foreign currency risk (assets)	2.16	0.01	-	2.02	0.01	-
Financial liabilities						
Trade payables	-	0.92	-	0.00	0.86	-
Borrowings	2.65	-	-	0.98	-	-
Employees related liabilities	-	-	0.07	-	-	-
Exposure to foreign currency risk (liabilities)	2.65	0.92	0.07	0.98	0.86	-

Exposure in the Group's investment in and loans given to, its foreign joint venture are not considered since these exposures have been fully provided/ written off.

Particulars	USD	GBP	AED
Closing rate of foreign currency as on 31 December 2021 (in ₹)	74.37	100.48	20.25
Closing rate of foreign currency as on 31 March 2021 (in ₹)	71.87	102.93	20.75
Closing rate of foreign currency as on 31 March 2020 (in ₹)	75.39	93.08	20.53
Closing rate of foreign currency as on 31 March 2019 (in ₹)	69.17	90.48	18.89

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in foreign currency with all other variables held constant. The below impact on the Group's profit before tax is based on changes in the fair value of foreign currency monetary assets and liabilities at balance sheet date:

(₹ in million)

Currencies	31 December 2021		31 March 2021		31 March 2020		31 March 2019	
	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%	Increase by 2%	Decrease by 2%
USD	(1.99)	1.99	1.56	(1.56)	(0.73)	0.73	1.44	(1.44)
GBP	(0.94)	0.94	(2.29)	2.29	(1.68)	1.68	(1.52)	1.52
AED	(0.04)	0.04	(0.05)	0.05	(0.03)	0.03	-	-

(ii) Cash flow and fair value interest rate risk

This refers to risk to Group's cash flow and profits on account of movement in market interest rates. The Group's interest rate risk is mainly due to the borrowings acquired at floating interest rate.

The Group's borrowings (non-current and current) structure at the end of reporting period are as follows:

(₹ in million)

Particulars	As at	As at	As at	As at
	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Variable rate borrowings	5,930.18	6,364.20	6,482.97	8,185.23
Fixed rate borrowings	3,319.49	3,182.37	3,718.52	5,036.34
Interest free rate borrowings	6.28	0.82	120.82	130.00
Total	9,255.95	9,547.39	10,322.31	13,351.57

Sensitivity analysis

(₹ in million)

Particulars	Impact on profit before tax			
	As at	As at	As at	As at
	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Increase by 50 bps	(29.65)	(31.82)	(32.41)	(40.93)
Decrease by 50 bps	29.65	31.82	32.41	40.93

46 Capital management

The Group's objectives when managing capital are to -

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders.

The Group monitors its capital by using gearing ratio, which is net debt divided by total equity. Net debt includes non-current borrowings (including current maturities) and short term borrowings net of cash and cash equivalents and equity comprises of equity share capital and other equity.

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

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Debt	9,268.90	9,547.39	10,322.31	13,351.57
Less: Cash and cash equivalents	(170.47)	(434.89)	(722.82)	(189.42)
Net Debt	9,098.43	9,112.50	9,599.49	13,162.15
Total Equity	4,061.00	3,817.82	3,796.19	2,918.17
Capital gearing ratio	2.24	2.39	2.53	4.51

Bank loans availed by the Group contain certain debt covenants which are required to be complied with. The Limitation of indebtedness covenant gets suspended once the Group meets the certain prescribed criteria. As of the reporting date, the Group is not in compliance with certain performance linked financial covenants. The Group is trying to ensure compliance with the covenants as soon as possible. The banks have not levied any material interest/penalty nor have they communicated any intention to recall the loans or make them repayable immediately, in view of the above matter. Accordingly, the borrowings have been classified as current / non-current considering the original maturity terms.

B. Dividends

The Group has not paid any dividend to its shareholders for period ended 31 December 2021 , F.Y. 2020-21 , F.Y. 2019-20 and F.Y. 2019-20.

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47 Related party disclosures, as per Ind AS 24

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related party and related party relationships, are disclosed where transactions have taken place during the reporting period.

(a) List of related parties

Joint venture/associate	Surji Agro Foods Private Limited (till 08 March 2019) Henkell & Company India Private Limited (till 26 March 2019) Allied Blenders and Distillers International General Trading LLC (till 17 June 2019)
Subsidiaries	NV Distilleries & Breweries (AP) Private limited Deccan Star Distillers India Private Limited ABD Dwelling Private Limited (wholly owned subsidiary w.e.f 15 July 2021) Madanlal Estates Private Ltd (wholly owned subsidiary w.e.f 15 July 2021) Sarhthak Blenders and Bottlers Private Limited Chitwan Blenders and Bottlers Private Limited
Enterprises where key management personnel have significant influence	Oriental Radios Private Limited Rayonyarns Import Company Private Limited Starvoice Properties Private Limited Power Brands Enterprises India Private Limited Pitambari Properties Private Limited Lalita Properties Private Limited Bhuneshwari Properties Private Limited Ashoka Liquors Private Limited Tracstar Investments Private Limited Tracstar Distillers Private Limited Surji Consultants (India) Private Limited Bina Chhabria Enterprises Private Limited Spiritus Private Limited Marketing Incorporated Private Limited NBB Consultants (w.e.f 1 September 2019 and till 19 July 2021) ABD Dwelling Private Limited (upto 15 July 2021) Madanlal Estates Private Ltd (upto 15 July 2021) Woodpecker Investments Private Limited Surji Agro Foods Private Limited
Key management personnel	Kishore Chhabria Bina K Chhabria Utpal Kumar Ganguli (till 31 March 2022) Shekhar Ramamurthy (w.e.f 1 July 2021) Chirag Pittie (w.e.f 14 June 2021) Ramakrishnan Ramaswamy Resham Chhabria Jeetendra Hemdev Neesha Chhabria Nicholas Blazquez (till 19 July 2021) Deepak Roy (till 25 April 2022) Paramjit Singh Gill (till 31 January 2020)

(b) Transactions during the year with related parties :

(₹ in million)

Particulars	Joint venture/associate	Enterprises where key management personnel have significant influence				Key management personnel			
	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Royalty income									
Surji Agro Foods Private Limited	0.25	-	0.00	0.09	-	-	-	-	-
Interest income									
Kishore Chhabria	-	-	-	-	-	1.00	1.33	-	6.98
Utpal Kumar Ganguli	-	-	-	-	-	2.22	2.07	2.13	0.13
Sub-total	-	-	-	-	-	3.22	3.40	2.13	7.11
Promotional material and services									
Surji Agro Foods Private Limited	1.20	-	-	0.08	-	-	-	-	-
Sale of Asset									
Power Brands Enterprises India Private Limited	-	-	-	0.01	-	-	-	-	-
Interest on unsecured loan									
Oriental Radios Private Limited	-	18.22	0.42	0.75	0.75	-	-	-	-
Tracstar Investments Private Limited	-	-	10.48	18.80	17.98	-	-	-	-
Starvoice Properties Private Limited	-	-	-	17.12	-	-	-	-	-
Sub-total	-	18.22	10.90	36.67	18.73	-	-	-	-
Rent Expenses									
Oriental Radios Private Limited	-	-	1.50	1.77	1.77	-	-	-	-
Starvoice Properties Private Limited	-	0.45	0.60	0.71	0.71	-	-	-	-
Rayonyarns Import Company Private Limited	-	-	0.12	0.14	0.14	-	-	-	-
Pitambari Properties Private Limited	-	0.54	0.72	0.85	0.85	-	-	-	-
Lalita Properties Private Limited	-	0.68	0.90	1.06	1.06	-	-	-	-
Woodpecker Investments Private Limited	-	0.09	0.12	-	-	-	-	-	-
Bhuneshwari Properties Private Limited	-	0.68	0.90	1.06	1.06	-	-	-	-
Sub-total	-	2.44	4.86	5.59	5.59	-	-	-	-
Unsecured loan / advances granted									
Rayonyarns Import Company Private Limited	-	-	-	0.22	0.31	-	-	-	-
Starvoice Properties Private Limited	-	2.00	-	-	-	-	-	-	-
Kishore Chhabria	-	-	-	-	-	-	83.40	3.70	193.90
Utpal Kumar Ganguli	-	-	-	-	-	20.00	-	2.50	25.00
Sub-total	-	2.00	-	0.22	0.31	20.00	83.40	6.20	218.90
Reversal of Rent Expenses									
Oriental Radios Private Limited	-	1.50	-	-	-	-	-	-	-
Rayonyarns Import Company Private Limited	-	0.12	-	-	-	-	-	-	-
Sub-total	-	1.62	-	-	-	-	-	-	-
Unsecured loan written off									
Allied Blenders and Distillers International General Trading LLC	132.96	-	-	-	-	-	-	-	-
Investment in compulsorily convertible debentures (CCD)									
Madanlal Estates Private Limited	-	210.00	13.00	-	-	-	-	-	-
ABD Dwellings Private Limited	-	31.01	208.04	-	-	-	-	-	-
Sub-total	-	241.01	221.04	-	-	-	-	-	-

(b) Transactions during the year with related parties :

(₹ in million)

Particulars	Joint venture/associate	Enterprises where key management personnel have significant influence				Key management personnel			
	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Advance given for purchase of land									
Power Brands Enterprises India Private Limited	-	-	-	360.00	-	-	-	-	-
Ashoka Liquors Private Limited	-	-	-	-	1,110.00	-	-	-	-
Commission									
Power Brands Enterprises India Private Limited	-	-	-	-	18.11	-	-	-	-
Purchase of fixed assets and stock (IMFL/PM/Blend)									
Power Brands Enterprises India Private Limited	-	-	-	-	2.41	-	-	-	-
Refund of Advance given for purchase of land									
Ashoka Liquors Private Limited	-	750.00	-	360.00	-	-	-	-	-
Redemption of Preference shares									
Ashoka Liquors Private Limited	-	750.00	-	-	-	-	-	-	-
Working capital advances given									
Power Brands Enterprises India Private Limited	-	-	17.31	430.08	504.20	-	-	-	-
Refund of customer advance									
Power Brands Enterprises India Private Limited	-	-	2.28	-	-	-	-	-	-
Sale of investment									
Spiritus Private Limited	-	-	-	-	35.00	-	-	-	-
Marketing Incorporated Private Limited	-	-	-	-	20.00	-	-	-	-
Bina Chhabria Enterprises Private Limited	-	-	-	-	1.10	-	-	-	-
Sub-total	-	-	-	-	56.10	-	-	-	-
Receipt of Money against Receivables									
Spiritus Private Limited	-	-	34.00	-	-	-	-	-	-
Marketing Incorporated Private Limited	-	-	19.00	-	-	-	-	-	-
Sub-total	-	-	53.00	-	-	-	-	-	-

(b) Transactions during the year with related parties :

(₹ in million)

Particulars	Joint venture/associate	Enterprises where key management personnel have significant influence				Key management personnel			
	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Business advance received back									
Power Brands Enterprises India Private Limited	-	-	173.08	613.25	-	-	-	-	-
Repayment of Unsecured loan / advances granted									
Kishore Chhabria	-	-	-	-	-	56.33	29.00	3.70	193.90
Utpal Kumar Ganguli	-	-	-	-	-	14.14	2.70	-	-
Sub-total	-	-	-	-	-	70.47	31.70	3.70	193.90
Liability component of compound financial instrument									
Oriental Radios Private Limited	-	72.77	-	-	-	-	-	-	-
Repayment of liability component of compound financial instrument									
Oriental Radios Private Limited	-	36.80	-	-	-	-	-	-	-
Equity component of compound financial instrument									
Oriental Radios Private Limited	-	952.82	-	-	-	-	-	-	-
Consultancy fee									
NBB Consultants	-	-	-	34.84	-	-	-	-	-
Allied Blenders and Distillers International General Trading LLC	0.26	-	-	-	-	-	-	-	-
Unsecured borrowing availed									
Bina K Chhabria	-	-	-	-	-	0.58	10.00	250.00	226.20
Kishore Chhabria	-	-	-	-	-	5.00	-	-	-
Oriental Radios Private Limited	-	300.00	-	-	-	-	-	-	-
Tracstar Investments Private Limited	-	-	-	0.82	31.97	-	-	-	-
Starvoice Properties Private Limited	-	-	70.00	3.77	370.00	-	-	-	-
Sub-total	-	300.00	70.00	4.59	401.97	5.58	10.00	250.00	226.20
Repayment of unsecured borrowing									
Bina K Chhabria	-	-	-	-	-	-	130.00	260.00	96.20
Tracstar Investments Private Limited	-	1.20	125.00	-	12.00	-	-	-	-
Oriental Radios Private Limited	-	224.24	5.00	-	-	-	-	-	-
Starvoice Properties Private Limited	-	-	132.94	115.83	195.00	-	-	-	-
Sub-total	-	225.44	262.94	115.83	207.00	-	130.00	260.00	96.20
Legal and professional fees									
Surji Consultants (India) Private Limited	-	-	10.00	-	-	-	-	-	-

(b) Transactions during the year with related parties :

(₹ in million)

Particulars	Joint venture/associate	Enterprises where key management personnel have significant influence				Key management personnel			
	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Sale of by-product									
Power Brands Enterprises India Private Limited	-	-	-	513.57	-	-	-	-	-
Others									
Henkell & Company India Private Limited	1.18	-	-	-	-	-	-	-	-
Managerial remuneration/Short term employee benefits *									
Kishore Chhabria	-	-	-	-	-	320.16	447.33	408.52	407.80
Shekhar Ramamurthy	-	-	-	-	-	50.00	-	-	-
Chirag Pittie	-	-	-	-	-	24.60	-	-	-
Nicholas Blazquez	-	-	-	-	-	26.94	74.49	-	-
Deepak Roy	-	-	-	-	-	56.85	4.52	55.26	65.57
Utpal Kumar Ganguli	-	-	-	-	-	22.11	25.49	52.88	64.04
Ramakrishnan Ramaswamy	-	-	-	-	-	16.97	22.64	25.63	26.89
Resham Chhabria Jeetendra Hemdev	-	-	-	-	-	27.72	37.43	35.00	35.04
Neesha Chhabria	-	-	-	-	-	4.30	5.27	5.14	5.16
Paramjit Singh Gill	-	-	-	-	-	-	-	70.98	68.76
Sub-total	-	-	-	-	-	549.65	617.17	653.41	673.26

* Excludes compensated absences and gratuity benefits provided on the basis of actuarial valuation on an overall Group basis.

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Notes to the Restated Consolidated Financial Information

(c) Balances at the year end :

(₹ in million)

Particulars	Joint ventures	Enterprises where key management personnel have significant influence				Key management personnel			
	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Loan receivables									
Utpal Kumar Ganguli	-	-	-	-	-	36.72	29.13	29.76	25.13
Kishore Chhabria	-	-	-	-	-	-	55.73	-	-
Sub-total	-	-	-	-	-	36.72	84.86	29.76	25.13
Investment in compulsorily convertible debentures (CCD)									
Madanlal Estates Private Limited	-	-	13.00	-	-	-	-	-	-
ABD Dwellings Private Limited	-	-	208.04	-	-	-	-	-	-
Sub-total	-	-	221.04	-	-	-	-	-	-
Advances									
Utpal Kumar Ganguli	-	-	-	-	-	0.50	-	-	-
Advance to supplier									
Surji Agro Foods Private Limited	-	12.65	12.65	12.65	12.66	-	-	-	-
Surji Consultants (India) Private Limited	-	20.00	20.00	30.00	30.00	-	-	-	-
Power Brands Enterprises India Private Limited	-	-	109.76	109.76	130.72	-	-	-	-
Star Voice Properties Private Limited	-	2.00	-	-	-	-	-	-	-
Rayonyarns Import Company Private Limited	-	-	0.08	0.08	-	-	-	-	-
Sub-total	-	34.65	142.49	152.49	173.38	-	-	-	-
Trade payables									
Star Voice Properties Private Limited	-	0.08	0.08	0.32	-	-	-	-	-
Bhuneshwari Properties Private Limited	-	-	-	0.49	-	-	-	-	-
Oriental Radio Private Limited	-	-	-	0.81	-	-	-	-	-
Pitambari Properties Private Limited	-	-	-	0.39	-	-	-	-	-
Lalita Properties Private Limited.	-	-	-	0.49	-	-	-	-	-
NBB Consultants	-	-	-	2.89	-	-	-	-	-
Sub-total	-	0.08	0.08	5.39	-	-	-	-	-
Non-current borrowings									
Oriental Radio Private Limited	-	-	-	5.00	5.00	-	-	-	-
Tracstar Investments Private Limited	-	-	-	125.00	125.00	-	-	-	-
Sub-total	-	-	-	130.00	130.00	-	-	-	-
Current borrowings									
Star Voice Properties Private Limited	-	-	-	62.93	175.00	-	-	-	-
Oriental Radio Private Limited	-	91.09	-	-	-	-	-	-	-
Liability component of compound financial instrument	-	38.86	-	-	-	-	-	-	-
Tracstar Investments Private Limited	-	0.62	0.82	0.82	-	-	-	-	-
Kishore Chhabria	-	-	-	-	-	5.00	-	-	-
Resham Chhabria Jeetendra Hemdev	-	-	-	-	-	0.09	-	-	-
Bina K Chhabria	-	-	-	-	-	0.57	-	120.00	130.00
Sub-total	-	130.57	0.82	63.75	175.00	5.66	-	120.00	130.00

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Notes to the Restated Consolidated Financial Information

(c) **Balances at the year end :**

(₹ in million)

Particulars	Joint ventures	Enterprises where key management personnel have significant influence				Key management personnel			
	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Interest accrued but not due									
Oriental Radio Private Limited	-	0.04	0.04	0.06	0.75	-	-	-	-
Tracstar Investments Private Limited	-	-	1.00	1.58	-	-	-	-	-
Star Voice Properties Private Limited	-	-	-	7.50	-	-	-	-	-
Sub-total	-	0.04	1.04	9.14	0.75	-	-	-	-
Capital advance									
Ashoka Liquors Private Limited	-	-	750.00	750.00	1,110.00	-	-	-	-
Power Brands Enterprises India Private Limited	-	-	360.00	360.00	-	-	-	-	-
Sub-total	-	-	1,110.00	1,110.00	1,110.00	-	-	-	-
Advance from customers									
Power Brands Enterprises India Private Limited	-	7.50	7.50	9.77	0.98	-	-	-	-
Trade receivables									
Surji Agro Foods Private Limited	-	0.89	0.89	0.89	0.80	-	-	-	-
Other current financial assets									
Power Brands Enterprises India Private Limited	-	469.76	-	-	-	-	-	-	-
Spiritus Private Limited	-	-	-	34.00	34.00	-	-	-	-
Marketing Incorporated Private Limited	-	-	-	19.00	20.00	-	-	-	-
Sub-total	-	469.76	-	53.00	54.00	-	-	-	-
Security deposits									
Spiritus Private Limited	-	1.05	1.05	1.05	1.05	-	-	-	-
Marketing Incorporated Private Limited	-	1.05	1.05	1.05	1.05	-	-	-	-
Sub-total	-	2.10	2.10	2.10	2.10	-	-	-	-
Outstanding expenses									
Oriental Radios Private Limited	-	-	1.50	-	-	-	-	-	-
Star Voice Properties Private Limited	-	1.05	0.60	-	-	-	-	-	-
Rayonyarns Import Company Private Limited	-	-	0.12	-	-	-	-	-	-
Pitambari Properties Private Limited	-	1.26	0.72	-	-	-	-	-	-
Lalita Properties Private Limited	-	1.58	0.90	-	-	-	-	-	-
Woodpecker Investments Private Limited	-	0.21	0.12	-	-	-	-	-	-
Bhuneshwari Properties Private Limited	-	1.58	0.90	-	-	-	-	-	-
Sub-total	-	5.68	4.86	-	-	-	-	-	-

Reference is also invited to footnote to note 23 and note 26 for guarantee provided and assets pledged of Tracstar Distillers Private Limited towards loans availed by the Group.

Reference is also invited to footnote to note 23 for guarantee provided by Mr. Kishore Chhabria towards loan availed by the Group.

Reference is also invited to footnote to note 23 for assets pledged of Ashoka Liquors Private Limited towards loan availed by the Group.

Equity (or equity like) investments by the Group and equity (or equity like) infusion into the Group are not considered for disclosure as these are not considered "outstanding" exposures. Refer note 8 and 21 for the same.

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)

Notes to the Restated Consolidated Financial Information

(d) List of eliminated transactions upon consolidation

Transactions during the year with related parties :

Particulars	Subsidiaries			
	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Sales to external customer on behalf of the Company				
Sarthak Blenders and Bottlers Private Limited	-	-	-	37.50
Payment to vendors on behalf of subsidiary by Company				
Sarthak Blenders and Bottlers Private Limited	7.31	12.00	14.99	-
Interest income				
NV Distilleries & Breweries (AP) Private limited	6.61	8.75	8.48	9.35
Deccan Star Distillers India Private Limited	0.01	0.01	0.00	0.00
Sub-total	6.62	8.76	8.48	9.35
Expenses paid on behalf of the subsidiary by Company				
Sarthak Blenders and Bottlers Private Limited	1.28	0.96	6.33	31.53
Purchase of fixed assets and stock (IMFL/PM/Blend)				
Chitwan Blenders and Bottlers Private Limited	-	-	-	1.11
Unsecured loan / advances granted				
NV Distilleries & Breweries (AP) Private limited	0.50	1.70	3.41	0.64
Deccan Star Distillers India Private Limited	-	0.06	-	-
Sarthak Blenders and Bottlers Private Limited	0.34	5.58	19.68	43.46
Sub-total	0.84	7.34	23.09	44.10
Investment in compulsorily convertible debentures (CCD)				
Madanlal Estates Private Limited	360.00	-	-	-
ABD Dwellings Private Limited	93.01	-	-	-
Sub-total	453.01	-	-	-
Business advance received back				
Chitwan Blenders and Bottlers Private Limited	-	71.05	73.40	13.70
Provision for loans and advances				
Chitwan Blenders and Bottlers Private Limited	-	-	-	51.89
Provision for loans and advances reversed				
Chitwan Blenders and Bottlers Private Limited	-	45.39	10.11	-
Loans and advances written off				
Chitwan Blenders and Bottlers Private Limited	-	45.39	-	-
Deemed interest on inter-corporate deposit to subsidiary				
NV Distilleries & Breweries (AP) Private Limited	0.87	1.14	1.10	1.08
Others				
Sarthak Blenders and Bottlers Private Limited	2.89	5.52	8.02	1.07
Chitwan Blenders and Bottlers Private Limited	-	-	0.35	-

* Excludes compensated absences and gratuity benefits provided on the basis of actuarial valuation on an overall Company basis.

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)

Notes to the Restated Consolidated Financial Information

(e) List of eliminated transactions

Balances at the year end :

Particulars	Subsidiaries			
	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Loan receivables				
NV Distillers & Breweries (AP) Private limited	141.28	134.78	124.98	113.97
Deccan Star Distillers India Private Limited	0.11	0.10	0.04	0.03
Chitwan Blenders and Bottlers Private Limited	-	-	45.39	55.50
Sub-total	141.39	134.88	170.41	169.50
Investment in compulsorily convertible debentures (CCD)				
Madanlal Estates Private Limited	373.00	-	-	-
ABD Dwellings Private Limited	301.05	-	-	-
Sub-total	674.05	-	-	-
Advance to supplier				
Sarthak Blenders and Bottlers Private Limited	116.39	107.46	88.92	59.66
Chitwan Blenders and Bottlers Private Limited	-	3.79	-	-
Sub-total	116.39	111.25	88.92	59.66
Trade payables				
Sarthak Blenders and Bottlers Private Limited	16.89	13.79	8.27	0.78
Other payables for expenses				
Chitwan Blenders and Bottlers Private Limited	-	-	67.26	-
Provision against loan given				
Chitwan Blenders and Bottlers Private Limited	-	-	45.39	55.50

48 As per Indian Accounting Standard-19, 'Employee Benefits', the disclosure of employee benefits as defined in the standard are given below:

(a) Contribution to defined contribution plan, recognised as expense for the year are as under:

Particulars	(₹ in million)			
	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Employers' contribution to provident fund	67.42	84.99	81.19	81.60
Employers' contribution to superannuation fund	0.72	3.00	2.85	3.02
Employers' contribution to employees' state insurance	0.11	0.19	0.27	0.03
Employers' contribution to employees' pension scheme 1995	8.50	11.98	12.29	10.76
Employers' contribution to national pension scheme	0.89	1.32	0.74	-
Employers' contribution to labour welfare fund	0.03	0.03	0.04	0.02
Employers' contribution to labour welfare fund	0.52	-	-	-
	78.19	101.51	97.38	95.43

(b) Defined benefit plan

In accordance with Indian Accounting Standard-19, 'Employee Benefits', actuarial valuation was carried out in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

Gratuity	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Mortality table	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Discount rate	2.2% to 6.70%	6.06%	6.24% - 6.59%	7.22% - 7.48%
Salary growth rate	1.50% p.a. to 15%	10% p.a.	1.5% p.a. for the next 1 year, 10% p.a. thereafter starting from the 2nd year	10% p.a.
Attrition rate	15.00%	15.00%	15.00%	12.00%
	Period From 01 April 2021 to 31 December 2021 (₹ in million)	Year ended 31 March 2021 (₹ in million)	Year ended 31 March 2020 (₹ in million)	Year ended 31 March 2019 (₹ in million)
Changes in the present value of obligation				
Present value of obligation at the beginning of the period/year	122.36	112.29	100.72	95.24
Current service cost	11.74	12.24	12.28	10.95
Interest expenses	23.74	7.06	7.31	7.31
Benefits paid	(27.97)	(14.55)	(7.90)	(9.46)
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	0.03	0.25	(2.25)	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(8.29)	7.19	(1.54)	1.91
Actuarial (gains)/losses on obligations - due to experience	(3.03)	(2.12)	3.67	(5.23)
Present value of obligation at the end of the period /year	118.58	122.36	112.29	100.72
	As at 31 December 2021 (₹ in million)	As at 31 March 2021 (₹ in million)	As at 31 March 2020 (₹ in million)	As at 31 March 2019 (₹ in million)
Amount recognised in the balance sheet				
Present value of obligation at the end of the period /year	118.58	122.36	112.29	100.72
Fair value of plan assets at the end of the period /year	-	-	-	-
Net liability recognised at the end of the period /year	118.58	122.36	112.29	100.72
Non-current provisions	93.31	90.42	81.99	78.45
Current provisions	25.27	31.94	30.30	22.27
	Period From 01 April 2021 to 31 December 2021 (₹ in million)	Year ended 31 March 2021 (₹ in million)	Year ended 31 March 2020 (₹ in million)	Year ended 31 March 2019 (₹ in million)
Expenses recognised in the statement of profit and loss				
Current service cost	11.74	12.24	12.28	10.95
Net interest cost	23.74	7.06	7.31	7.31
Total expenses recognised in the statement of profit and loss	35.48	19.30	19.59	18.26
Re-measurement (or actuarial) (gain) / loss arising from change in assumptions	(11.28)	5.31	(0.13)	(3.32)

	Period From 01 April 2021 to 31 December 2021 (₹ in million)	Year ended 31 March 2021 (₹ in million)	Year ended 31 March 2020 (₹ in million)	Year ended 31 March 2019 (₹ in million)
Maturity profile of defined benefit obligation				
Expected cash flows over the next (valued on undiscounted basis) :				
1st following year	25.32	31.94	30.30	24.27
2nd following year	12.42	10.15	9.52	7.75
3rd following year	14.90	12.63	11.00	8.23
4th following year	11.76	12.12	11.11	9.39
5th following year	11.41	10.23	10.51	9.77
Sum of years 6 to 10	54.40	52.67	47.18	47.53
Sum of years 11 and above	30.61	36.11	33.96	48.20

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation (DBO) are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

	31 December 2021 (₹ in million)	31 March 2021 (₹ in million)	31 March 2020 (₹ in million)	31 March 2019 (₹ in million)
Delta effect of +1% change in rate of discounting	(4.69)	(4.92)	(4.43)	(4.58)
Delta effect of -1% change in rate of discounting	5.14	5.42	4.88	5.08
Delta effect of +1% change in rate of salary increase	4.53	4.67	4.27	4.40
Delta effect of -1% change in rate of salary increase	(4.26)	(4.38)	(4.00)	(4.09)
Delta effect of +1% change in rate of employee turnover	(0.72)	(1.13)	(0.92)	(0.79)
Delta effect of -1% change in rate of employee turnover	0.76	1.21	0.98	0.84

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There is no change in the method of valuation from the prior period.

(c) Compensated absences

The leave obligations cover the Group's liability for sick and privilege leaves. The amount of provision with respect to leave obligation is ₹ 112.91 million (31 March 2021: ₹ 111.43 million, 31 March 2020: ₹ 110.19 million, 31 March 2019: ₹ 117.58 million) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The expense recognised during the year towards leave encashment is ₹ 14.53 million (31 March 2021: ₹ 8.59 million, 31 March 2020: ₹ 1.66 million, 31 March 2019: ₹ 28.15 million).

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49 Contingent liabilities and commitments

(A) Contingent liabilities

(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(i) Provident fund matter (Refer note a below)	Not ascertainable	Not ascertainable	Not ascertainable	Not Applicable
(ii) Transport pass fees claimed by excise authorities (Refer note b below)	87.31	87.31	87.31	87.31
(iii) Water charges claim by MIDC, Aurangabad (Refer note c below)	17.40	16.38	15.08	14.24
(iv) Additional license fees on account of restructuring of the Company, levied by, the Maharashtra State Excise Department, Aurangabad (Refer note d below)	3.28	3.28	3.28	3.28
(v) Differential Octroi Duty on Extra Neutral Alcohol / Rectified Spirit by Aurangabad Municipal Corporation (Refer note e below)	15.80	15.80	15.80	15.80
(vi) Service tax demand notice from The Commissioner of Central Excise, Customs and Service Tax, Aurangabad (Refer note f below)	-	0.70	0.70	0.70
(vii) Demand notice from the Commissioner of Central Excise, Customs and Service Tax, Aurangabad, towards service tax on reverse charge basis on expenditure incurred in foreign currency on sales promotion, travelling and other expenditure (Refer note g below)	53.81	53.81	53.81	53.81
(viii) VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. (Refer note h below)	324.89	324.89	324.89	324.89
(ix) Income tax matters (Refer note i & j below)	33.31	83.89	83.89	78.24
(x) VAT liability on captive consumption of ENA (Refer note k below)	10.76	10.76	10.76	10.76
(xi) Excise demand relating to excess transit wastages for ENA supplied by Contract Bottling unit (Refer note l below)	28.60	28.60	28.60	28.60
(xii) Excise demand relating to low strength of ENA (Refer note m below)	-	2.71	2.71	2.71
(xiii) Debit memorandum from its customer - Canteen Stores Department (Refer note n below)	-	366.14	366.14	366.14
(xiv) Show cause notice from Canteen Stores Department (CSD) on account of differential trade rate relating to the period from October 2014 to December 2020 (Refer note o below)	85.77	85.77	-	-
(xv) The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2015-2016. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. (Refer note p below)	60.27	60.27	-	-

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(₹ in million)

Particulars	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
(xvi) The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2016-2017. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. (Refer note q below)	58.26	58.26	-	-
(xvii) Rajasthan VAT department has demanded sales Tax along with interest and penalty from a contract bottling unit on ENA produced by them to be used as intermediary product for the manufacturer of IMFL. (Refer note r below)	10.75	10.75	10.75	10.75
(xviii) Demand notice by the Government of Andhra Pradesh (Refer note s below)	272.50	272.50	272.50	272.50
(xix) Group has not acknowledged debts arising out of difference on account of vendor reconciliation. (Refer note t below)	-	3.30	33.40	18.60
(xx) Interest liability on Micro, Small and Medium enterprise overdue (Refer note u below)	Not ascertainable	Not ascertainable	Not ascertainable	Not ascertainable
(xxi) Service Tax payable on services provided by Director to the Company. (Refer note v below)	-	-	-	249.87
(xxii) VAT / GST on ENA procured by the Company in Uttar Pradesh (Refer note w below)	14.29	-	-	-
(xxiii) A contract bottling unit had been issued notice of demand under the Assam Entry Tax Act by the Government of Assam (Refer note x below)	13.12	13.12	13.12	13.12
(xxiv) The Company was receiving taxable invoices from its CBU's at the rate of 18% on the bottling charges on manufacturing of IMFL for the Company (brand owner). However, based on the notification dated 13 October 2017, No .31/2017 - Central Tax (rate), the Company has asked its bottlers to charge GST on bottling charge at 5% (Refer note y below)	19.47	-	-	-
(xxv) Rectification order under MVAT (Refer note z below)	22.11	-	-	-
(xxvi) Group has received summon notice dated 11 August 2020 from the Director General of GST Intelligence, Hyderabad on applicability of GST on Distillery Wet Grain Soluble (DWGS) and Distillery Dry Grain Soluble (DWGS). (Refer note aa below)	Not ascertainable	Not ascertainable	Not Applicable	Not Applicable
(xxvii) Income Tax matter (Refer note bb below)	1.73	1.73	1.73	1.73
(xxviii) Bonus liability as per amendment in the Act for the year 2014-15 (Refer note cc below)	-	-	4.84	4.84
(xxix) Capital commitments (net of advances) (Refer note cc below)	28.32	25.67	39.15	20.74

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- a) Contingent liability relating to determination of provident fund liability, based on a recent Supreme Court judgement, is not determinable at present, due to uncertainty on the period of impact of the judgement in absence of further clarification relating to applicability. The Group will continue to assess any further developments in this matter for their implications on financial statements, if any, which, based on the number of employees, is not expected to be significant.
- b) Transport pass fee claimed by excise authorities @ ₹ 3 per bulk litre (BL) up to 25 August 2009 and @ ₹ 1.50 per BL from 26 August 2009 till 18 May 2011 on Extra Neutral Spirit (ENA) purchased aggregating ₹ 82.20 million (31 March 2021 ₹ 82.20 million, 31 March 2020 ₹ 82.20 million, 31 March 2019 ₹ 82.20 million) and transport pass fee claimed by excise authorities @ ₹ 1 per BL from 01 April 2010 to 18 May 2011 on rectified spirits purchased aggregating ₹ 4.89 million (31 March 2021 ₹ 4.89 million, 31 March 2020 ₹ 4.89 million, 31 March 2019 ₹ 4.89 million), transport pass fee claimed by excise authorities @ ₹ 3 per BL from 01 June 2009 to 18 May 2011 on Malt purchased aggregating ₹ 0.22 million (31 March 2021 ₹ 0.22 million, 31 March 2020 ₹ 0.22 million, 31 March 2019 ₹ 0.22 million) including for one of the Contract Bottling Unit.

The Group has paid ₹ 30.37 million (31 March 2021 ₹ 30.37 million, 31 March 2020 ₹ 30.37 million, 31 March 2019 ₹ 14.00 million) under protest which is shown under balance with statutory authorities (non-current).

The Hon'ble High Court of Mumbai Judicature has vide its order dated 06 May 2011 upheld Companies appeal and allowed the Group's petition with the direction that the amount paid be refunded along with the interest @ 9% per annum within 10 weeks from the date of receipt of application for refund. As directed, the Group has filed an application for claim of refund before the customs and excise authorities. The Group has also claimed ₹ 16.37 million (including interest of ₹ 2.99 million) on account of transport pass fees charged by suppliers.

The Customs and excise department of Maharashtra has filed a Special leave petition (SLP) before the Hon'ble Supreme Court against the above order. The Supreme Court has directed the registrar to issue notice to all concerned and affected parties pending admission of petition.

Subsequently, the registrar has issued notice to all the concerned and affected parties for admission of petition and accordingly, the Group has filed its response to this notice. The matter has not come up for hearing.

- c) Increased water charges (including delayed payment charges billed by MIDC from time to time for the period November 2001 to March 2021, disputed by the Group aggregating ₹ 17.40 million (31 March 2021 ₹ 16.38 million, 31 March 2020 ₹ 15.08 million, 31 March 2019 ₹ 14.24 million).
In the above said matter, High Court of Judicature of Bombay, Aurangabad Bench did not allow the stay petition filed by the Group. However, the Hon'ble High Court of Aurangabad Bench has agreed to allow for payment of only principal amount to MIDC towards outstanding water charges and granted stay on levy of interest and penalty till the disposal of final appeal.
Based on the above, the Group has paid till 31 December 2021 ₹ 14.00 million (31 March 2021 ₹ 12.98 million, 31 March 2020 ₹ 11.68 million, 31 March 2019 ₹ 10.84 million) under protest which is shown under balance with statutory authorities.
Few of the IMFL manufacturers have filed Special Leave Petition before the Supreme Court challenging the order of the Aurangabad Bench of Bombay High Court. Since the cause of action and reliefs claimed are identical, the outcome of this case will hold good for the Group as well.
- d) The Maharashtra State Excise Department, Aurangabad has raised a demand of ₹ 3.28 million (31 March 2021 ₹ 3.28 million, 31 March 2020 ₹ 3.28 million, 31 March 2019 ₹ 3.28 million) towards additional license fee on the Group as a consequence of the change of name arising due to restructuring of the Group. The Group has challenged the said demand and filed Writ Petition before High Court of Judicature of Bombay, Aurangabad Bench. The said matter has not come up for hearing yet. The demand of ₹ 3.28 million (31 March 2021 ₹ 3.28 million, 31 March 2020 ₹ 3.28 million, 31 March 2019 ₹ 3.28 million), which is paid by the Group under protest, is shown under balance with statutory authorities.
- e) The Aurangabad Municipal Corporation (AMC) had recovered differential Octroi Duty on Extra Neutral Alcohol / Rectified Spirit for the period from December 1991 to June 1997 on the basis of High Court judgment on similar facts in another liquor company case. This judgment had been reversed by the Hon'ble Supreme Court of India in another case in which interest @ 6 % p. a. was allowed. The Group has entered into an agreement with AMC on 12 March 1993 by which both the parties had agreed that judgment passed shall be binding on both the parties.

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The Group had filed a suit for recovery in the Hon'ble Court of Civil Judge, (Senior. Division) at Aurangabad. As per the order dated 16 October 2006 of the Court, the Group is entitled to get an amount of ₹ 15.80 million (31 March 2021 ₹ 15.80 million, 31 March 2020 ₹ 15.80 million, 31 March 2019 ₹ 15.80 million), with interest thereon @ 6% p.a. from the date of suit till the date of payment.

The Municipal Corporation has filed an appeal against this order, which has been disposed off by the Division Bench of the Bombay High Court, Aurangabad bench vide their order dated 12 February 2007 granting the stay of execution of decree passed by Trial Court subject to deposit of ₹ 22.00 million in 11 instalments commencing from April 2007. Further, the appeal came up for hearing on 29 August 2007 before the High Court at Bombay Bench at Aurangabad and an order was passed allowing the Group to withdraw the aforesaid amount and so far the Group has received ₹ 22.00 million up to 31 March 2009. The appeal filed by AMC is pending before the Bombay High Court, Aurangabad Bench.

- f) In an earlier year, the Group had received service tax demand notice from The Commissioner of Central Excise, Customs and Service Tax, Aurangabad which has raised the demand against the show cause cum demand notice, confirming the demand for ₹ Nil (31 March 2021 ₹ 0.70 million, 31 March 2020 ₹ 0.70 million, 31 March 2019 ₹ 0.70 million), (including penalty of ₹ 0.34 million, late fees of ₹ 0.04 million but excluding interest) for the period 1 August 2014 to 31 July 2015 towards service tax on alleged short delivery of bottles received, non-supply of clear bottles etc. u/s 66EE of the Service Tax Act. The Group has filed an appeal before the Commissioner Appeals Central Excise, Customs and Service Tax and paid an amount of Nil (31 March 2021 ₹ 0.02 million, 31 March 2020 ₹ 0.02 million, 31 March 2019 ₹ 0.02 million) under protest which is shown under balance with statutory authorities.
During the year ended 31 March 2019, Group had received an order from the Commissioner Appeals, Nashik, directing Assessing Officer to verify claim of the Group and passed the order based on the merits of the case. During the nine months period ended 31 December 2021, the case was settled and appeal has been disposed of in favour of the Group.
- g) In an earlier year, the Group had received demand notice from the Commissioner of Central Excise, Customs and Service Tax, Aurangabad for the F.Y. 2011-12 to 2014-15 towards service tax on reverse charge basis on expenditure incurred in foreign currency on sales promotion, travelling and other expenditure. Total demand raised is ₹ 53.81 million (31 March 2021 ₹ 53.81 million, 31 March 2020 ₹ 53.81 million, 31 March 2019 ₹ 53.81 million) (including penalty of ₹ 26.83 million, late fees of ₹ 0.16 million but excluding interest). The Group has paid ₹ 2.01 million (31 March 2021 ₹ 2.01 million, 31 March 2020 ₹ 2.01 million, 31 March 2019 ₹ 2.01 million) under protest against the said demand towards mandatory deposit for admission of appeals, which is shown under balance with statutory authorities. The Group has filed an appeal before Central Excise and Sales Tax Appellate Tribunal (CESTAT), Mumbai.
- h) The Group has an unpaid demand of ₹ 324.89 million (31 March 2021 ₹ 324.89 million, 31 March 2020 ₹ 324.89 million, 31 March 2019 ₹ 324.89 million) arising out of assessment under MVAT Act, 2002 for F.Y. 2011-12. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties.
The Group has received an order from the Joint Commissioner of Sales Tax (Appeals) granting a stay on recovery of said demand pending decision by the Hon'ble High Court of Bombay in the case of M/s Diageo India Pvt Ltd v/s State of Maharashtra.
In view of above, no further provision is considered necessary in the books, at present.
The Group has filed appeal with Maharashtra Sales Tax Tribunal and paid ₹ 0.99 million (31 March 2021 ₹ 0.99 million, 31 March 2020 ₹ 0.99 million, 31 March 2019 ₹ 0.99 million) under protest the said demand, which is shown under balance with statutory authorities.
- i) Income tax matter is in dispute before CIT-Appeal relating to A.Y. 2014-15 ₹ 33.31 million, (31 March 2021 ₹ 33.31 million, 31 March 2020 ₹ 33.31 million, 31 March 2019 ₹ 27.66 million). Against the above said demand, the Group has deposited under protest ₹ 5.51 million (31 March 2021 ₹ 5.51 million, 31 March 2020 ₹ 5.51 million, 31 March 2019 ₹ 5.51 million) which is disclosed under Income tax (current-tax) assets (net). The balance demand is adjusted by the department with refundable balance of AY 2011-2012 as per intimation dated 20 April 2017.
- j) Income tax matter relating to A.Y. 2010-11 and 2011-12 which was in dispute before the Hon'ble Bombay High Court has been disposed off in favour of the Company. In the earlier year the said matter was appealed against the ITAT Mumbai by the Income Tax Department amounting to ₹ Nil (31 March 2021 ₹ 50.58 million, 31 March 2020 ₹ 50.58 million, 31 March 2019 ₹ 50.58 million).
- k) One of the Group's Contract Bottling Unit (CBU) at Rajasthan had received notice of demand for the A.Y. 2007-08 to 2009-10 amounting to ₹ 9.18 million (31 March 2021 ₹ 9.18 Million, 31 March 2020 ₹ 9.18 Million, 31 March 2019 ₹ 9.18 Million) of VAT and interest thereon for ₹ 1.58 million (31 March 2021 ₹ 1.58 million, 31 March 2020 ₹ 1.58 million, 31 March 2019 ₹ 1.58 million) aggregating ₹ 10.76 million (31 March 2021 ₹ 10.76 Million, 31 March 2020 ₹ 10.76 Million, 31 March 2019 ₹ 10.76 Million) from Commercial Tax Officer, Government of Rajasthan on alleged VAT payable on captive consumption of ENA for the manufacturing of the Group's brands and deemed sale of ENA to the brand owner. The said demand was upheld by the Hon'ble Rajasthan High Court vide their order dated 20 July 2017. Against the said demand, the CBU has filed a Special Leave Petition before the Hon'ble Supreme Court. Vide order

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dated 28 August 2017, the Hon'ble Supreme Court has granted stay in the matter in respect of recovery of any demand or interest. In the event, if the matter is decided against the CBU, the Group is liable to compensate the CBU for the tax demand including interest.

- l) In an earlier year, the Group has received excise demand of ₹ 28.60 million (31 March 2021 ₹ 28.60 million, 31 March 2020 ₹ 28.60 million, 31 March 2019 ₹ 28.60 million) relating to excess transit wastages for ENA supplied by Contract Bottling unit (CBU). Writ petition was filed with the Hon'ble High Court by CBU and is pending for disposal. Amount deposited under protest of ₹ 7.15 million (31 March 2021 ₹ 7.15 million, 31 March 2020 ₹ 7.15 million, 31 March 2019 ₹ 7.15 million) is shown under other financial assets. Madhya Pradesh High Court ordered that, on furnishing an adequate surety to the satisfaction of Excise Commissioner, the recovery of penalty shall remain stayed until next date of hearing. The matter has not come up for hearing yet and the same is under progress.
- m) The Group has received excise demand of Nil (31 March 2021 ₹ 2.71 million, 31 March 2020 ₹ 2.71 million, 31 March 2019 ₹ 2.71 million) relating to low strength of ENA. The Group had challenged the same with appropriate authority and has paid the amount under protest, which is disclosed under due from tie-up units (non-current). Rajasthan High Court had left it exclusively for the Excise Commissioner to take a decision, after examining all aspects of the matter. The Group had filed a writ petition in March 2020. The Rajasthan High Court, vide its order dated 15 November 2021 has quashed the orders of the Excise by allowing the writ petition with a direction to pay ₹ 0.01 million as compounding fee.
- n) The Company in an earlier year had received a debit memorandum from its customer - Canteen Stores Department for Nil (31 March 2021 ₹ 366.14 million, 31 March 2020 ₹ 366.14 million, 31 March 2019 ₹ 366.14 million) on account of differential trade rate relating to the period from 01 March 2012 to 31 October 2017. The aggregate amount receivable from the Canteen Store Department by CBUs of the Company on account of the abovementioned debit memorandum is NIL (31 March 2021 ₹ 340.30 million, 31 March 2020 ₹ 340.30 million, 31 March 2019 ₹ 225.12 million) which was substantially withheld by the Canteen Store Department. The Company has written off ₹ 87.49 million (31 March 2021 NIL, 31 March 2020 NIL, 31 March 2019 NIL) as bad debts and has recovered the balance amount.
- o) The Company had also received a show cause notice dated 22 March 2021 from its customer – Canteen Stores Department (CSD) for ₹ 85.77 million (31 March 2021 ₹ 85.77 million, 31 March 2020 NIL, 31 March 2019 NIL) on account of differential trade rate relating to the period from October 2014 to December 2020, which has been disclosed as contingent liability only since the nine months period ended 31 December 2021. The Company has submitted the explanation and necessary documents demanded by CSD in response to the show cause notice. The Company is awaiting further communication from the CSD.
- p) The Group has an unpaid demand of ₹ 60.27 million (31 March 2021 ₹ 60.27 million, 31 March 2020 ₹ NIL, 31 March 2019 ₹ NIL) arising out of assessment under MVAT Act, 2002 for financial year 2015-2016. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. The Group has received an assessment order from Deputy Commissioner of Sales Tax, Mazgaon dated 30 March 2020. The Group has filed copy of Appeal against the said assessment order to Joint commissioner of State Tax dated 20 July 2020 and paid ₹ 0.05 million (31 March 2021 ₹ 0.05 million, 31 March 2020 ₹ NIL, 31 March 2019 ₹ NIL) under protest against the said demand, which is shown under balance with statutory authorities (non-current). The Commissioner has granted a stay on recovery of demand pending decision by the Hon'ble High Court of Bombay in a similar case of M/s Diageo India Pvt Ltd v/s State of Maharashtra.
- q) The Group has an unpaid demand of ₹ 58.26 million (31 March 2021 ₹ 58.26 million, 31 March 2020 ₹ NIL, 31 March 2019 ₹ NIL) arising out of assessment under MVAT Act, 2002 for financial year 2016-2017. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. The Group has received an assessment order from Deputy Commissioner of Sales Tax, Mazgaon dated 23 February 2021. The Commissioner has granted a stay on recovery of said demand pending decision by the Hon'ble High Court of Bombay in the case of M/s Diageo India Pvt Ltd v/s State of Maharashtra.
- r) Rajasthan VAT department has demanded amount of ₹ 10.75 million (31 March 2021 ₹ 10.75 million, 31 March 2020 ₹ 10.75 million, 31 March 2019 ₹ 10.75 million) Sales Tax along with interest and penalty from a contract bottling unit on ENA produced by them to be used as intermediary product for the manufacturer of IMFL. The matter is pending before Supreme Court.
- s) A letter of Intent (LOI) was granted to the Group along with a demand notice by the Government of Andhra Pradesh on 9 March 2017 on the basis of an application made on 3 December 2014 along with stipulated payment of ₹ 27.50 million (31 March 2021 ₹ 27.50 million, 31 March 2020 ₹ 27.50 million, 31 March 2019 ₹ 27.50 million). The Group had immediately requested for a waiver of the demand notice. Further, vide letter dated 17 May 2017, the Group had

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requested for a three years moratorium for payment of license fees. The request was disallowed vide their letter dated 31 May 2017 which was served on the Group on 12 June 2017.

The Group then requested the Commissioner of Prohibition of Excise for surrendering the LOI and requested for refund of the advance paid ₹ 27.50 million vide letter dated 14 June 2017. However, the Group received a demand notice from the Government of Andhra Pradesh and Commissioner of Prohibition & Excise for payment of the license fees of ₹ 173.41 along with 18% interest, which remains unpaid.

The Group also received revised letter dated 9 February 2018 with correct calculation of instalments with date-wise schedule, which indicates a balance amount payable of ₹ 272.50 million in 11 quarterly instalments with first instalment being due on 26 January 2017.

Group filed a writ petition under Article 226 of the Constitution of India against the State of Andhra Pradesh represented by the Principal Secretary to Government Revenue (Excise Department) as well as against the Commissioner, Prohibition and Excise, Government of Andhra Pradesh in the High Court of Andhra Pradesh seeking a declaration that the said demand as well as refusal of the Respondents to refund amounts paid by the Parent Company of ₹ 8.75 million and ₹ 27.50 million along with applications made on 22 November 2010 and 03 December 2014 as bad and illegal in law; and a direction to the Respondents to cease making demands for payment of instalments and to refund the above amounts paid along with interest @ 18% p.a. from 17 December 2012 and 31 May 2017 respectively.

In the said Writ Petition, the Hon'ble High Court was pleased to pass an interim order directing the Respondents not to take any coercive action against Group pursuant to the letter dated 6 February 2019 of the 2nd Respondent. The Group filed a writ petition against the said order and obtained an interim stay on the same. The matter is still pending in Andhra Pradesh High Court.

The writ petition filed by the Group against the State of Andhra Pradesh represented by Principal Secretary to Government, Revenue (Excise Department) and the Commissioner Prohibition and Excise is pending before the High Court of Andhra Pradesh. The matter was last listed on 19 March 2019 when the order was passed. Thereafter the matter has not been listed. The order subsists even as on today. The Order also stated that no coercive steps can be taken against the petitioner.

- t) Group has not acknowledged debts amounting to NIL (31 March 2021 ₹ 3.30 million, 31 March 2020 ₹ 33.40 million, 31 March 2019 ₹ 18.60 million) arising out of difference on account of vendor reconciliation. Group is of the opinion that the differences will be amicably resolved and does not foresee any ramifications.
- u) Interest in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 will be paid in all cases where the vendor has claimed the same from the Group. The Group has not received any such claims, including in the past few years, from any of their vendors. The amount of such interest, if any, which may be claimed by the vendors, is not ascertainable at present.
- v) In earlier year, the Company had received a demand notice from Commissionerate of Central Excise, Customs and Service Tax, Aurangabad for the period 1 July 2012 to 31 March 2015 towards alleged Service Tax payable on services provided by Director to the Company. Total demand raised is Nil (31 March 2021 Nil, 31 March 2020 Nil, 31 March 2019 ₹ 249.87 million) including a penalty of ₹ 0.12 million but excluding interest. The Company has paid Nil (31 March 2021 Nil, 31 March 2020 Nil, 31 March 2019 ₹ 9.37 million) under protest the said demand towards mandatory deposit for admission of appeal, which is shown under advances. The Group has received a favourable order from Central Excise and Sales Tax Appellate Tribunal (CESTAT), Mumbai.
- w) The Company is operating its business in the State of Uttar Pradesh by entering into a Lease Agreement with Simbhaoli Sugars Limited (Simbhaoli) since October 2017. As per UP VAT Act, during pre GST period i.e. before 30 June 2017, ENA in Uttar Pradesh was charged at Paise 0.80 per litre for intra state purchase of ENA and Inter-state purchase was taxed at 2% CST. After introduction of GST, ENA falls under VAT and there was no clarity on Vat to be charged on ENA. In respect of ENA purchases made by the Company from Simbhaoli since October 2017 no VAT / GST has been recovered or paid by Simbhaoli in line with the request made by the Company. The Company has issued an indemnity to safeguard Simbhaoli from any liability on account of VAT / GST on ENA procurement from them. Department has issued notice to Simbhaoli to deposit arrears of Tax for F.Y 2017-18, 2018-19 and 2019-20. Neither Simbhaoli nor the company has paid any tax for the period 1st Oct 2017– 8 December 2019. On 17 December 2019, UP VAT Authority has notified 5% rate of VAT on ENA, effective from 9 December 2019. 9 December 2019 onwards, the Company has been paying 5% VAT on ENA purchase. The company has been granted stay for 90% of the demand on issuance of surety. Balance 10% of the demand has been paid by the company amounting to ₹ 14.29 million (31 March 2021 ₹ Nil, 31 March 2020 ₹ Nil, 31 March 2019 ₹ Nil) for FY 2017-18, FY 2018-19 and FY 2019-20, which is shown under balance with statutory authorities (non-current).
- x) A contract bottling unit had been issued notice of demand of ₹ 13.12 million (31 March 2021 ₹ 13.12 million, 31 March 2020 ₹ 13.12 million, 31 March 2019 ₹ 13.12 million) on 2 July 2010 under the Assam Entry Tax Act by the Government

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of Assam. Amount deposited under protest of ₹ 7.58 million (31 March 2021 ₹ 7.58 million, 31 March 2020 ₹ 7.58 million, 31 March 2019 ₹ 7.58 million) is shown under other financial assets.

- y) In earlier years, the Company was receiving taxable invoices from its CBUs at the rate of 18% on the bottling charges on manufacturing of IMFL for the Company (brand owner). However, based on the notification dated 13 October 2017, No .31/2017 - Central Tax (rate), the Company has asked its bottlers to charge GST on bottling charge at 5%. Vide Notification No. CBIC (TRU) Circular no 164/20/2021 a separate new entry was introduced with effect from 01 October 2021, accordingly all the CBUs are charging 18% on job work charges. However, there remains a non-clarity in respect of charging the 18% rate from 01 October 2017 to 30 September 2021. Confederation of Indian Alcoholic Beverage Companies (CIABC) has submitted a representation vide letter dated 9 October 2019 to Hon'ble Finance Minister and other Senior Member. However, final disposal of the above representation made has not been received. The Company is of the view that the effective date of applicability of 18% GST should be from 01 October 2021 only and accordingly no provision has been made in the books of account.

During the year some of the State GST departments have raised demand for the differential GST amount as mentioned below for which Company has filed its reply with the department that the Company through its Member Association CIABC has made various representation for clarification to the GST council and is awaiting response on this.

State	Unit name	Period of Demand	Demand (₹ million)
Maharashtra	Radico NV Distilleries Maharashtra Ltd.	July 2017 to July 2019	6.31
Odisha	Hi Tech Bottling Limited	July 2017 to November 2020	8.11
Odisha	Shakti Maltare & Lemonade Pvt Ltd	July 2017 to November 2019	5.05

- z) The Company has received a Rectification order u/s. 24 of the MVAT dated 06 December 2021 raising a total demand of ₹ 19.87 million (31 March 2021 ₹ Nil, 31 March 2020 ₹ Nil, 31 March 2019 ₹ Nil). The demand has arisen mainly due to VAT liability on the amount of Business Surplus received by the Company from Tie up unit arrangement with third party.

For the similar period Company has received Rectification Order u/s. 9(2) of the CST Act Maharashtra raising a total demand of ₹ 2.24 million (31 March 2021 ₹ Nil, 31 March 2020 ₹ Nil, 31 March 2019 ₹ Nil) of which the Company has already paid ₹ 1.22 million (31 March 2021 ₹ Nil, 31 March 2020 ₹ Nil, 31 March 2019 ₹ Nil) and same is shown under other financial assets. The demand has arisen mainly due to the non-receipt of C Forms and F Forms, and the Company has filed an appeal and the matter is pending to be heard.

- aa) Group has received summon notice dated 11 August 2020 from the Director General of GST Intelligence, Hyderabad on applicability of GST on Distillery Wet Grain Soluble (DWGS) and Distillery Dry Grain Soluble (DDGS). However, show cause notice or demand notice is not issued by the department yet. Company has filed for advance ruling before the Telangana State Authority for Advance Ruling (TSAAR) to clarify on the above subject matter of classification of product and applicable GST rate for which order is awaited of TSAAR. The Company is preferring an appeal before the Telangana State Appellate Authority for Advance Ruling. The Company is discharging tax on DDGS and DWGS at 5% from 1 October 2021 and will be disputing the demand, if raised for the period July 2017 to July 2021 by placing reliance on judgement/ advance ruling relied for classification of DDGS and DWGS.
- bb) During the year ended 31 March 2019, Group has received Income Tax assessment order from Income Tax Department for A.Y. 2016-17 raising demand of ₹1.73 Million. The said demand has arisen due to non-granting of claim of TDS and TCS in respect of Wales Distillers Private Limited, which was merged with the Group with the appointed date of 01 April 2015.

The Group has made required representation before the Assessing Officer for rectification of demand. The Group is confident of getting a favourable rectification order and accordingly, no provision has been made in the books of account.

- cc) Bonus liability as per amendment in the Act for the year 2014-15 ₹ NIL (31 March 2021 Nil 31 March 2020 ₹ 4.84 million, 31 March 2019 ₹ 4.84 million).

(B) Commitments

Capital commitments (net of advances) ₹ 28.32 million (31 March 2021 ₹ 25.67 million, 31 March 2020 ₹ 39.15 million, 31 March 2019 ₹ 20.74 million).

50 Revenue from contracts with customers

The Group determines revenue recognition through the following steps:

1. Identification of the contract, or contracts, with a customer.
2. Identification of the performance obligations in the contract.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations in the contract.
5. Recognition of revenue when, or as, a performance obligation is satisfied.

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

At contract inception, the Group assesses the goods and services promised in the contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, the Group considers all of the goods and services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices.

The majority of customer contracts that the Group enters into consist of a single performance obligation for the delivery of Indian made foreign liquor. The Group recognizes revenue from product sales when control of the product transfers, generally upon shipment or delivery to the customer i.e. at a point in time. The Group records product sales net of estimated incentives/discounts, returns, and other related charges. These are generally accounted for as variable consideration estimated in the same period the related sales occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. The payment terms are generally less than a year.

a) Disaggregation of revenue :

(₹ in million)

Particulars	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Geographical markets				
Within India	53,127.86	62,251.08	80,362.37	87,963.82
Outside India	1,132.44	1,335.53	661.46	1,168.08
Revenue from contracts with customer	54,260.30	63,586.61	81,023.83	89,131.90

b) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price :

(₹ in million)

Particulars	Period from 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue as per contracted price	56,034.48	66,007.76	83,819.92	92,010.56
Adjustments (includes provisions estimated and adjustments there against)				
Sales incentive	(1,690.76)	(2,245.98)	(2,683.11)	(2,663.15)
Cash discount	(83.42)	(175.17)	(112.98)	(215.51)
Revenue from contract with customers	54,260.30	63,586.61	81,023.83	89,131.90

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51 Pursuant to the order of Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, the erstwhile wholly owned subsidiary company - Henkell & Company India Private Limited (Henkell / transferor company) has been merged into the Company (transferee company) with appointed date being 28 March 2019. The Scheme has become effective on 27 July 2020. This was a cash free transaction in which the Group took over the net assets. The merger has been accounted under the 'pooling of interests' method in accordance with Appendix C of Ind AS 103 'business combinations' read with clarification issued by Ind AS technical facilitation group. Further, provision made in an earlier year, against amounts receivable from Henkell by the Company, have been written back post transfer of respective liability from Henkell (Refer note 34). The effect of tax expense consequent to the aforesaid merger has been given during the year ended 31 March 2020.

The assets and liabilities recognised as a result of the merger are as follows:

	(₹ in million)
	2019
Assets (as per book values in the financial statements of the transferor)	
Property, plant and equipment	0.37
Income tax assets	0.04
Cash and cash equivalents	2.68
Other financial assets	0.13
Total Assets - A	3.22
Liabilities (as per book values in the financial statements of the transferor)	
Borrowings	77.11
Other financial liabilities	33.12
Other current liabilities	0.02
Total liabilities - B	110.25
Net Assets: (C = A - B)	(107.03)
Purchase consideration paid (D)	1.05
Goodwill (D - C)	108.08
Less: Adjustment for liability towards borrowings, written back *	(77.11)
Goodwill (net)	30.97

* Represents loan waived off by the erstwhile shareholder, adjusted on the date of acquiring control (28 March 2019).

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52 CWIP ageing schedule

The ageing schedule for CWIP is as below:

(₹ in million)

Projects in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 December 2021	75.17	5.80	26.06	28.01	135.04
As at 31 March 2021	75.29	31.66	3.68	58.71	169.34
As at 31 March 2020	245.52	153.51	10.46	67.69	477.18
As at 31 March 2019	186.36	78.35	43.49	26.77	334.97

Projects temporarily suspended

- - - - -

There are no projects which are temporarily suspended, also there are no other projects in progress whose completion is overdue or has exceeded its cost compared to its original plan.

53 Intangible assets under development ageing schedule

The ageing schedule is as below:

(₹ in million)

Projects in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 December 2021	-	-	-	-	-
As at 31 March 2021	-	-	-	-	-
As at 31 March 2020	-	-	-	-	-
As at 31 March 2019	0.45	-	-	-	0.45

There are no other Intangible Assets under Development whose completion is overdue or has exceeded its cost compared to its original plan.

54 Trade receivables ageing schedule

31 December 2021							(₹ in million)
Particulars	Outstanding for following periods from due date of payment					Total	
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade receivables - considered good	9,200.65	292.97	476.77	97.71	32.52	10,100.62	
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	30.58	7.16	26.63	19.20	70.67	154.24	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - credit impaired	-	11.28	5.07	2.00	78.28	96.63	
Total	9,231.23	311.41	508.47	118.91	181.47	10,351.49	

31 March 2021							(₹ in million)
Particulars	Outstanding for following periods from due date of payment					Total	
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade receivables - considered good	7,140.95	568.82	362.50	102.12	494.90	8,669.29	
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	1.13	0.01	7.56	21.25	91.37	121.32	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - credit impaired	0.96	10.99	4.26	17.57	68.30	102.08	
Total	7,143.04	579.82	374.32	140.94	654.57	8,892.69	

31 March 2020							(₹ in million)
Particulars	Outstanding for following periods from due date of payment					Total	
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade receivables - considered good	8,680.50	115.85	87.56	315.77	147.77	9,347.45	
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	5.32	1.12	3.02	0.04	77.53	87.03	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - credit impaired	4.97	-	0.46	22.42	42.89	70.74	
Total	8,690.79	116.97	91.04	338.23	268.19	9,505.22	

31 March 2019							(₹ in million)
Particulars	Outstanding for following periods from due date of payment					Total	
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade receivables - considered good	10,572.75	213.34	315.73	230.81	62.29	11,394.92	
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	0.84	3.45	16.13	14.28	59.95	94.65	
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - credit impaired	0.46	-	16.97	28.69	8.11	54.23	
Total	10,574.05	216.79	348.83	273.78	130.35	11,543.80	

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55 Trade payables ageing schedule

31 December 2021						(₹ in million)
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	1,314.79	3.11	0.39	1.97	1,320.26	
(ii) Others	2,092.75	19.52	4.51	8.00	2,124.78	
(iii) Disputed Dues - MSME	-	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	-	
Total	3,407.54	22.63	4.90	9.97	3,445.04	

31 March 2021						(₹ in million)
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	1,554.76	3.00	1.44	0.68	1,559.88	
(ii) Others	2,127.89	12.93	6.07	7.45	2,154.34	
(iii) Disputed Dues - MSME	-	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	-	
Total	3,682.65	15.93	7.51	8.13	3,714.22	

31 March 2020						(₹ in million)
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	1,669.06	4.97	0.17	0.33	1,674.53	
(ii) Others	2,671.88	16.52	5.15	2.42	2,695.97	
(iii) Disputed Dues - MSME	-	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	-	
Total	4,340.94	21.49	5.32	2.75	4,370.50	

31 March 2019						(₹ in million)
Particulars	Outstanding for following periods from due date of payment				Total	
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	950.67	3.07	0.72	0.95	955.41	
(ii) Others	2,941.41	7.80	9.21	38.84	2,997.26	
(iii) Disputed Dues - MSME	-	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	-	
Total	3,892.08	10.87	9.93	39.79	3,952.67	

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56 Loans and Advances to promoters, directors, KMPs and the related parties

(₹ in million)

Name of the Entities	Relationship	As at 31 December 2021	% to Total Loans and Advances	As at 31 March 2021	% to Total Loans and Advances	As at 31 March 2020	% to Total Loans and Advances	As at 31 March 2019	% to Total Loans and Advances
Utpal Kumar Ganguli	Key management personnel	37.22	100%	29.13	34.33%	29.76	100%	25.13	100.00%
Kishore Chhabria	Key management personnel	-	-	55.73	65.67%	-	-	-	-
Total		37.22	100%	84.86	100%	29.76	100%	25.13	100.00%

57 Earnings per share

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Net profit attributable to equity share holders (₹ in million)	33.02	25.08	127.93	152.01
Weighted average number of equity shares outstanding during the year for Basic EPS #	23,55,66,665	23,55,66,665	23,55,66,665	23,55,66,665
Weighted average number of potential equity shares in respect of NCCPS*	-	68,18,180	50,48,434	-
Weighted average number of equity shares outstanding during the year for Diluted EPS	23,92,43,046	24,23,84,845	24,06,15,099	23,55,66,665
Earnings per share:				
Basic EPS (in ₹)	0.14	0.11	0.54	0.65
Diluted EPS (in ₹)	0.14	0.10	0.53	0.65
Face value per share (in ₹)	2.00	2.00	2.00	2.00

With effect from 29 September 2019, the equity shares of the Company having face value of Rs. 10 each have been subdivided into 5 equity shares of Rs. 2 each.

*The earning per share in respect of presented years has been restated considering the aforesaid sub division of shares.

*For terms of NCCPS refer note 21

The effect of conversion of CCD issued by the group is anti-dilutive in nature and hence the same is not considered for the purposes of diluted EPS

58 Segment reporting

(a) Business segment

The Group is engaged in the business of manufacture, purchase and sale of alcoholic beverages. Operating segment are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the Group as one segment of "Alcoholic beverages/liquids". Thus, as defined in Ind AS 108 "Operating Segments", the Group's entire business falls under this one operational segment. The Group has not present any other significant information to the CODM.

(b) Entity wide disclosures

Revenue of ₹19,943.59 million (31 March 2021 ₹ 23,939.22 million, 31 March 2020 ₹ 30,401.18 million, 31 March 2019 ₹ 43,261.03 million) is derived from the two external customers, that individually accounted for more than 10% of the total revenue.

59 CSR Expenditure during the year:

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
CSR Spent	0.37	18.36	2.32	5.10
CSR required to be spent	5.08	4.69	3.55	8.54
Shortfall, if any	4.71	(13.67)	1.23	3.44
Nature of CSR activities	Contribution to chamber of Marathwada industries and agriculture, contribution to Singireddy charitable trust and supply of wet cake for cattle feed, Contribution to West Bengal State Emergency Relief Fund, Contribution to Shree Udaseen Math Seva Trust, Supply of ENA for production of Hand Sanitizer, Contribution Rangapur Police Station, Pebbair, Wanaparthi, District for provision of essential commodity kits to the migrant labourers, Contribution for Check Dam Project on Chityala, Sevasadan Shikshan Sansthan, Supply of DWGS to Singireddy charitable trust, Contribution for check dam project, Contribution to military literature festival, plant activities and distribution of hand sanitizers, Contribution to Chief Minister's Distress Relief Fund, Kerala.			

Note: Since there was an excess CSR spend for the year ended 31 March 2021, there is no shortfall in CSR spend for the period ended 31 December 2021

60 "The Government of Bihar by its notification dated 5 April 2016 imposed a ban on trade and consumption of Indian Made Foreign Liquor and foreign liquor in the state of Bihar. The Group had received a letter dated 16 August 2017 from the Government of Bihar, stating that it is not liable to refund the statutory duties paid under the Bihar Prohibition and Excise Act, 2016.

Thereafter, on 17 October 2017, the Group filed a writ petition before the Hon'ble High Court of Patna seeking refund of the aforesaid statutory duties, paid by the Group to the Government of Bihar. The Group had sought from the Government of Bihar refund of statutory duties i.e., VAT, excise duty, license fee, bottling fee etc. paid aggregating ₹ 3,124.00 lakhs (including statutory duties paid by the Group's tie-up manufacturers) under the applicable law at that time, in respect of billed stocks destroyed/ returned by Bihar State Beverages Corporation Limited ("BSBCL").

Meanwhile, the Hon'ble High Court of Patna directed the respondent i.e. Government of Bihar to quantify the refund payable to the petitioners and the date of hearing was set as 31 October 2018. Out of the above VAT and Excise department has processed ₹ 1,062 lakhs till 31 March 2019.

Subsequent to the above, Patna High Court vide order dated 30 April 2019 directed the Principal Secretary cum Commissioner, Commercial Taxes and the Commissioner, Excise vide preceding writ applications in CWJC Nos.15316 of 2017 and 13165 of 2018 to consider and dispose of the claims by a speaking order after opportunity of hearing within 3 months of receipt/production of a copy of this order.

In consequence, the Order of the Deputy Commissioner Excise dated 16 August 2017 is set aside.

During the period, the Group has received ₹ 239.26 lakhs out of the recoverable balance of ₹ 2,334.56 lakhs as on 31 March 2021. The Balance recoverable of ₹ 2,095.30 lakhs as at 31 December 2021 is considered good and receivable based on the favourable Order issued by the Hon'ble High Court of Patna dated 18 May 2017 and dated 30 April 2019.

Subsequently, the aforesaid referred writ petition was heard on 9 July 2020 through virtual court proceedings. Notices have been issued upon the respondent State of Bihar and its functionaries and they have been directed to file counter affidavit within four weeks, which is not yet filed. Later, writ application was heard on 12 October 2020 and 12 November 2020 by the Hon'ble High Court through virtual court proceedings and the Hon'ble Court on the request of the State Counsel had granted two weeks further time to file counter affidavit. The Group was directed to file a rejoinder within a week thereafter. It was indicated in the order that no further adjournments shall be granted to file the counter affidavit. The Hon'ble Court had directed that no coercive action against the Group shall be taken in the meantime. The aforesaid mentioned writ application for refund of excise levies and for quashing of the BSBCL demand was heard on 1 February 2021 and adjourned to 12 April 2021 for completion of pleadings. No hearing was held thereafter. The Group has a no coercive order in their favour.

61 Interest in other entities - subsidiaries

(a) Subsidiaries

The Group's subsidiaries as at reporting date are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entities	Country of incorporation	% of effective holding as at				Net Assets, i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)	
		31 December 2021	31 March 2021	31 March 2020	31 March 2019	% of consolidated net assets	Amount	% of consolidated profit	Amount	% of consolidated OCI	Amount	% of consolidated OCI	Amount
(₹ in million)													
The Company:													
Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)	India												
31 December 2021						109.91%	4,196.31	192.80%	63.66	100.00%	7.34	175.92%	71.00
31 March 2021						102.74%	3,922.50	227.59%	57.09	100.00%	(3.45)	248.02%	53.64
31 March 2020						101.91%	3,868.86	116.54%	149.09	100.00%	0.09	116.53%	149.18
31 March 2019						101.76%	2,969.61	64.97%	98.77	100.00%	2.16	65.46%	100.92
Subsidiaries (Domestic):													
ABD Dwelling Private Limited	India	100%	100%	100%	100%								
31 December 2021						6.74%	273.77	-27.25%	(9.00)	0.00%	-	-22.30%	(9.00)
Madanlal Estates Private Limited	India	100%	100%	100%	100%								
31 December 2021						8.95%	363.27	-8.84%	(2.92)	0.00%	-	-7.23%	(2.92)
NV Distilleries & Breweries (AP) Private limited	India	100%	100%	100%	100%								
31 December 2021						-1.03%	(41.95)	-24.80%	(8.19)	0.00%	-	-20.29%	(8.19)
31 March 2021						-0.91%	(34.63)	-42.72%	(10.72)	0.00%	-	-49.54%	(10.72)
31 March 2020						-0.66%	(25.05)	-8.22%	(10.52)	0.00%	-	-8.22%	(10.52)
31 March 2019						-0.54%	(15.63)	-6.79%	(10.33)	0.00%	-	-6.70%	(10.33)
Deccan Star Distillers Private Limited	India	100%	100%	100%	100%								
31 December 2021						0.00%	(0.16)	-0.06%	(0.02)	0.00%	-	-0.05%	(0.02)
31 March 2021						0.00%	(0.14)	-0.08%	(0.02)	0.00%	-	-0.10%	(0.02)
31 March 2020						0.00%	(0.12)	-0.02%	(0.03)	0.00%	-	-0.02%	(0.03)
31 March 2019						0.00%	(0.09)	-0.01%	(0.02)	0.00%	-	-0.01%	(0.02)
Sarthak Blenders and Bottlers Private Limited	India	100%	100%	100%	100%								
31 December 2021						-1.70%	(69.20)	-24.29%	(8.02)	0.00%	-	-19.87%	(8.02)
31 March 2021						-1.60%	(61.18)	-68.12%	(17.09)	0.00%	-	-79.01%	(17.09)
31 March 2020						-1.16%	(44.09)	-12.79%	(16.36)	0.00%	-	-12.78%	(16.36)
31 March 2019						-0.95%	(27.74)	-6.30%	(9.58)	0.00%	-	-6.22%	(9.58)
Chitwan Blenders and Bottlers Private Limited	India	100%	100%	100%	100%								
31 December 2021						-0.97%	(39.50)	-1.37%	(0.45)	0.00%	-	-1.12%	(0.45)
31 March 2021						-1.02%	(39.04)	-1.15%	(0.29)	0.00%	-	-1.34%	(0.29)
31 March 2020						-1.02%	(38.76)	-0.47%	(0.60)	0.00%	-	-0.47%	(0.60)
31 March 2019						-1.31%	(38.15)	-3.41%	(5.19)	0.00%	-	-3.37%	(5.19)
Intercompany elimination and consolidation adjustments	India												
31 December 2021						-15.31%	(621.54)	-6.18%	(2.04)	0.00%	-	-5.06%	(2.04)
31 March 2021						0.79%	30.31	-15.51%	(3.89)	0.00%	-	-17.99%	(3.89)
31 March 2020						0.93%	35.35	4.97%	6.35	0.00%	-	4.96%	6.35
31 March 2019						1.03%	30.16	51.55%	78.36	0.00%	-	50.83%	78.36
Total	India												
31 December 2021						100.00%	4,061.00	100.00%	33.02	100.00%	7.34	100.00%	40.36
31 March 2021						100.00%	3,817.82	100.00%	25.08	100.00%	(3.45)	100.00%	21.63
31 March 2020						100.00%	3,796.19	100.00%	127.93	100.00%	0.09	100.00%	128.02
31 March 2019						100.00%	2,918.16	100.00%	152.01	100.00%	2.16	100.00%	154.17

(b) Interest in associates - accounted using equity method

Name of entity	Country of incorporation	% of ownership / carrying value*			
		31 December 2021	31 March 2021	31 March 2020	31 March 2019
Surji Agro Foods Private Limited	India	Nil	Nil	Nil	Nil

*Investment in Surji Agro Foods Private Limited has been sold as on 8 March 2019.

(ii) Summarised financial information for associate

Summarised balance sheet

(₹ in million)

Particulars	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Current asset	-	-	-	-
Non current asset	-	-	-	-
Current liabilities	-	-	-	-
Non current liabilities	-	-	-	-
Total comprehensive income	-	-	-	-

Summarised statement of profit and loss

(₹ in million)

Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue	-	-	-	102.62
Profit for the year	-	-	-	2.67
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	2.67

Reconciliation to carrying amount

(₹ in million)

Particulars	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Opening net assets	-	-	-	52.29
Profit for the year	-	-	-	2.67
Closing net assets	-	-	-	54.96

Gain on sale of investment

(₹ in million)

Net Assets as on date of sale	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Carrying Amount of net assets as on the date of sale	-	-	-	27.48
Goodwill	-	-	-	12.87
Consideration Received	-	-	-	55.00
Gain on sale of investment	-	-	-	14.65

(c) Interest in Joint Venture - accounted using equity method

Particulars	Country of incorporation	% of ownership / carrying value*			
		31 December 2021	31 March 2021	31 March 2020	31 March 2019
Allied Blenders and Distillers International General Trading LLC	UAE	Nil	Nil	Nil	49%

*On 10 July 2019, the Group sold 147 equity shares of Allied Blenders and Distillers International General Trading LLC.

(i) Summarised financial information for Joint venture

Summarised balance sheet				(₹ in million)
Particulars	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Current assets				
Cash and cash equivalents	-	-	-	3.19
Other assets	-	-	-	4.81
Total current assets (i)	-	-	-	8.00
Total non-current assets (ii)	-	-	-	1.08
Current liabilities				
Financial liabilities	-	-	-	134.31
Other liabilities	-	-	-	-
Total current liabilities (iii)	-	-	-	134.31
Net assets (i+ii-iii)	-	-	-	(125.23)

Reconciliation to carrying amount				(₹ in million)
Particulars	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Opening net assets	-	-	-	(120.46)
Profit for the year	-	-	-	3.47
Other comprehensive income	-	-	-	-
Closing net assets	-	-	-	(116.99)

Group share in %	0%	0%	0%	49%
Group share in ₹	-	-	-	(57.33)
Share of losses in excess of the investments carrying amount	-	-	-	(57.33)
Carrying amount of investments	-	-	-	-

Summarised statement of profit and loss				(₹ in million)
Particulars	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Revenue	-	-	-	-
Profit for the year	-	-	-	3.47
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	3.47

Gain on sale of investment				(₹ in million)
Net Assets as on date of sale	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Carrying Amount of net assets as on the date of sale	-	-	-	-
Goodwill	-	-	-	-
Consideration Received	-	-	-	0.14
Gain on sale of investment	-	-	-	0.14

62 Statement of restatement adjustments to consolidated audited financial statements

Reconciliation between audited equity and restated equity

Particulars	(₹ in million)			
	As at 31 December 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Equity (as per audited financial statements)	4,061.00	3,817.82	3,796.19	2,923.00
Restatement adjustments				
Change in accounting policies - Ind AS 116 Leases	-	-	-	(4.84)
Total equity as per restated consolidated statement of assets and liabilities	4,061.00	3,817.82	3,796.19	2,918.17

Reconciliation between audited profit & loss and restated profit & loss

Particulars	(₹ in million)			
	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Profit/(Loss) (as per audited financial statements) - (A)	33.02	25.08	127.93	156.37
Restatement adjustments				
Change in accounting policies				
Depreciation of Right-of-use assets	-	-	-	(17.35)
Interest expense on lease liabilities	-	-	-	(13.38)
Other expenses - Rent	-	-	-	24.00
Deferred Tax on above	-	-	-	2.37
Total impact on adjustments - (B)	-	-	-	(4.36)
Restated Profit/(Loss) (A+B)	33.02	25.08	127.93	152.01

Notes to adjustments:

Ind AS 116 :-

Effective April 1, 2019, the Group adopted Ind AS 116 - "Leases", which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. The Group has adopted Ind AS 116, Leases under full retrospective approach to each prior reporting period presented with effect from 1st April, 2019. For the purpose of preparing restated consolidated summary statements, Ind AS 116 has been applied retrospectively with effect from 01 April 2018.

63 Non adjusting items

a) Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated financial information are as follows:

There are no audit qualification in auditor's report for the period ended 31 December 2021 and financial year ended 31 March 2021, 31 March 2020 and 31 March 2019.

b) Emphasis of matters not requiring adjustments to restated consolidated financial information

Financial Year 2020-21 - Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (n) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to ₹ 340.30 million as at 31 March 2021, which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.

Qualifications in the Companies (Auditor's report)Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financials Information are as follows:

Clause (iii)(b)

The schedule of repayment of principal and payment of interest has been stipulated in the case of loans granted to the employee directors and the repayment/receipts of the principal amount and the interest are regular, except for four instalments of principal and interest with respect to a loan given to an employee director, wherein the delayed amounts have been received post year end. In the case of loans granted to companies, the schedule of repayment of principal and interest has been stipulated wherein these amounts are repayable on demand and the repayments have been regular. Further, to the extent such repayments have not been demanded, in our opinion, repayment of the principal and interest amounts are also considered to be regular. However, in the case of loans given to a wholly owned subsidiary, the Holding Company has written off the entire amounts outstanding towards principal and interest aggregating ₹ 36.16 million and ₹ 9.23 million, respectively, during the year ended 31 March 2021.

Clause (iii) (c)

In view of our comments in (b) above, there are no amounts considered to be overdue in respect of loans granted to such companies or other parties except for a loan given to an employee director wherein the total amount overdue for more than 90 days as at 31 March 2021, in respect of one instalment, amounted to ₹ 1.17 million (including interest ₹ 0.17 million) which has been subsequently received post year end.

Clause (vii)(a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Notes to the restated consolidated financial information

Clause (vii)(b)

There are no dues in respect of goods and service tax and duty of customs that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax, sales tax, service-tax, duty of excise and value added tax on account of disputes are as follows:

Name of the statute	Nature of dues (Including interest and penalty, as the case may be)	Amount (Rs. in million)	Amount paid/ adjusted under protest (₹ in million)	Amount unpaid (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	33.31	33.31	-	AY 2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	4.83	1.73	3.10	AY 2016-2017	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	50.58	-	50.58	AY 2010-2011 AY 2011-2012	Bombay High Court
Finance Act, 1994	Service Tax	53.81	2.01	51.80	April 2011 to March 2015	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act, 1994	Service Tax	0.70	0.02	0.67	August 2014 to July 2015	Commissioner (Appeals), Customs, Central Excise and Service Tax, Nashik
Central Excise Act, 1944	Excise Duty	28.60	7.15	21.45	2016-2017	High Court of Madhya Pradesh, Jabalpur
MVAT Act, 2002	MVAT	324.89	0.99	323.90	2011-2012	Maharashtra Sales Tax Appellate Tribunal
Bombay Prohibition Act, 1949	Excise Duty-License Fee	3.28	3.28	-	FY 2007-2008	High Court of Judicature of Bombay, Aurangabad Bench
Central Sales Tax Act, 1956	CST	1.40	0.72	0.68	FY 2015-2016	Joint commissioner of State Tax
MVAT Act, 2002	VAT	61.40	0.05	61.35	FY 2015-2016	Joint commissioner of State Tax
MVAT Act, 2002	VAT	58.26	-	58.26	FY 2016-2017	Joint commissioner of State Tax
Central Sales Tax Act, 1956	CST	0.24	-	0.24	FY 2016-2017	Joint commissioner of State Tax
Karnataka Stamp Act, 1957	Excise Duty – Stamp Duty	0.30	0.30	-	FY 2016-2017 to FY 2018-2019	Superintendent of Excise

Financial Year 2019-20 - Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (o) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to ₹ 340.30 million as at 31 March 2020, which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.

Qualifications in the Companies (Auditor's report)Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financials Information are as follows:

Clause (iii)(b)

The schedule of repayment of principal and payment of interest has been stipulated in the case of loans granted to the employee directors and the repayment/receipts of the principal amount and the interest are regular. In the case of loans granted to companies, the schedule of repayment of principal and interest has been stipulated wherein these amounts are repayable on demand and the repayments have been regular. Further, to the extent such repayments have not been demanded, in our opinion, repayment of the principal and interest amounts are also considered to be regular. However, in the case of loans given to a wholly owned subsidiary, the Holding Company has recognized a provision for amounts towards principal and interest aggregating to Rs. 36.16 million and Rs.9.23 million, respectively, as at 31 March 2020.

Clause (iii) (c)

in view of our comments in (b) above, there are no amounts considered to be overdue in respect of loans granted to such companies or other parties. However, in case of loans provided, we have been informed that, no steps have been taken by the Holding Company for recovery of the principal and interest. There is no overdue amount in respect of loans granted to other parties.

Clause (vii)(a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Allied Blenders and Distillers Limited (Formerly known as Allied Blenders and Distillers Private Limited)
Notes to the restated consolidated financial information

Clause (vii)(b)

There are no dues in respect of sales-tax, goods and service tax and duty of customs that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax, service-tax, duty of excise and value added tax on account of disputes are as follows:

Name of the statute	Nature of dues (Including interest and penalty, as the case may be)	Amount (₹ in million)	Amount paid/adjusted under protest (Rs. in million)	Amount unpaid (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	27.66	5.51	22.14	AY 2014-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.73	-	1.73	AY 2016-2017	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	50.58	-	50.58	AY 2010-2011 AY 2011-2012	Bombay High Court
Finance Act 1994	Service Tax	53.81	2.01	51.80	April 2011 to March 2015	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Finance Act 1994	Service Tax	0.70	0.02	0.67	August 2014 to July 2015	Commissioner, Customs, Central Excise and Service Tax, Aurangabad
Central Excise Act, 1944	Excise Duty	28.60	7.15	21.45	2016-2017	High Court of Madhya Pradesh, Jabalpur
MVAT Act, 2002	MVAT	324.89	0.99	323.90	2011-2012	Maharashtra Sales Tax Appellate Tribunal
Bombay Prohibition Act 1949	Excise Duty-License Fee	3.28	3.28	-	FY 2007-2008	High Court of Judicature of Bombay, Aurangabad Bench

Financial Year 2018-19 - Emphasis of Matter – Recoverability of dues receivable from a customer

We draw attention to Note 46(p) of the consolidated financial statements which indicates that the Company is in the process of recovering dues receivable from a customer – Canteen Store Department, amounting to ₹ 366.14 million which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.

Qualifications in the Companies (Auditor's report)Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, which do not require any corrective adjustments in the Restated Consolidated Financials Information are as follows:

Clause (iii)(b)

The schedule of repayment of principal and payment of interest has been stipulated in the case of loans granted to the employee directors and the repayment/receipts of the principal amount and the interest are regular. In the case of loans granted to companies, the schedule of repayment of principal and interest has been stipulated wherein these amounts are repayable on demand and the repayments have been regular. Further, to the extent such repayments have not been demanded, in our opinion, repayment of the principal and interest amounts is also considered to be regular. However, in the case of loans given to two wholly owned subsidiaries and a joint venture, the Holding Company has recognized a provision / write off for amounts towards principal and interest aggregating to ₹178.74 million and ₹ 32.2 million, respectively, as at 31 March 2019.

Clause (iii)(b)

In view of our comments in (b) above, there are no amounts considered to be overdue in respect of loans granted to such companies or other parties. However, in case of loans provided / written off, we have been informed that, no steps have been taken by the Holding Company for recovery of the principal and interest. There is no overdue amount in respect of loans granted to other parties.

Clause (vii)(a)

Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

Clause (vii)(b)

There are no dues in respect of sales-tax, goods and service tax and duty of customs that have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income-tax, service-tax, duty of excise and value added tax on account of disputes are as follows:

Name of the statute	Nature of dues (Including interest and penalty, as the case may be)	Amount (₹ in million)	Amount paid/adjusted under protest (₹ in million)	Amount unpaid (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	27.66	5.51	22.14	AY 2014-2015	CIT (Appeals), Mumbai
Income Tax Act, 1961	Income Tax	1.73	-	1.73	AY 2016-2017	Deputy Commissioner of Income Tax
Finance Act 1994	Service Tax	53.81	2.01	51.80	April 2011 to March 2015	Commissioner, Customs, Central Excise and Service Tax, Aurangabad
Finance Act 1994	Service Tax	0.70	0.02	0.67	August 2014 to July 2015	Commissioner, Customs, Central Excise and Service Tax, Aurangabad
Central Excise Act, 1944	Excise Duty	28.60	7.15	21.45	2016-2017	Jabalpur High Court
MVAT Act, 2002	MVAT	324.89	0.99	323.90	2011-2012	Deputy Commissioner of Sales Tax
MVAT Act, 2002	MVAT	4.74	-	4.74	2013-2014	Deputy Commissioner of Sales Tax
MVAT Act, 2002	MVAT	0.34	-	0.34	FY 2014-2015	Joint Commissioner of VAT
Bombay Prohibition Act 1949	Excise Duty-License Fee	3.28	3.28	-	FY 2007-2008	High Court of Judicature of Bombay, Aurangabad Bench

64 Material regrouping/reclassification

Appropriate regrouping/reclassification have been made in the Restated Consolidated Statement of Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Consolidated Financial Statements for the period ended 31 December 2021 prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

65 Material errors

There are no material errors that require any adjustment in the Restated Consolidated Summary Statements.

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Notes to the Restated Consolidated Financial Information

66 Ratios

Following are the ratios computed for the period/year:

Ratios	Unit	Basis (Restated Numbers)	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Current Ratio	Times	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.91	0.84	0.87	0.85
Debt-Equity Ratio	Times	$\frac{\text{Total Debt}}{\text{Total Shareholders Equity}}$	2.28	2.50	2.72	4.58
Debt Service Coverage Ratio*	Times	$\frac{\text{Earnings for debt service}}{\text{Debt service}}$	0.28	0.27	0.17	0.18
Return on Equity Ratio/ Return on investment	Percentage	$\frac{\text{Profit After Tax}}{\text{Shareholders Equity}}$	1.12%	0.66%	3.81%	5.37%
Inventory Turnover Ratio**	Times	$\frac{\text{Cost of Goods Sold}}{\text{Avg. Inventory}}$	6.29	6.62	7.64	6.93
Trade Receivables turnover ratio	Times	$\frac{\text{Revenue from operations}}{\text{Average Trade Receivables}}$	7.74	7.08	7.83	8.63
Trade Payables turnover ratio [#]	Times	$\frac{\text{Credit Purchases}}{\text{Average Trade Payables}}$	4.52	3.51	4.40	5.24
Net Capital turnover ratio	Times	$\frac{\text{Revenue from Operations}}{\text{Total Equity}}$	17.88	16.71	21.39	30.62
Net profit ratio ##	Percentage	$\frac{\text{Net Profit After Tax}}{\text{Net sales}}$	0.17%	0.11%	0.43%	0.50%
Return on Capital Employed \$	Percentage	$\frac{\text{Earnings before Interest and Tax}}{\text{Capital Employed}}$	12.14%	12.15%	13.41%	15.34%

* Earnings for debt service = Net profit after taxes + Depreciation and amortisation, Debt service = Interest & Lease Payments + Principal Repayments

** Cost of Goods Sold = Cost of Materials Consumed + Purchases of Stock-in-Trade + Changes in Inventories; Average Inventory = (Opening Inventory + Closing Inventory)/2

[#] Credit Purchases = Purchase of Raw Materials on credit included in Cost of Materials Consumed + Purchase of Stock-in-Trade + Other Purchases; Average Trade Payables = (Opening Trade Payables + Closing Trade Payables)/2

Net Sales = Total sales - sales return- Excise Duty

\$Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability, Tangible Net worth = Total assets -Total liabilities - Other intangible assets- Intangible assets under development-
 The Ratios for 31 December, 2021 have been annualised for comparison.

Reasons for more than 25% increase/(decrease):

December 2021 compared with March 2021

1. Return on Equity - The ratio was higher on account of increase in net profit.
2. Trade Payables turnover ratio - The ratio was higher on account of increase in net purchases during the period.
3. Net profit Ratio - The ratio was higher on account of increase in net profit and net sales

March 2021 compared with March 2020

1. Debt Service Coverage Ratio - The ratio was higher on account of decrease in borrowings and lease payments and earnings for debt service.
2. Return on Equity - The ratio was lower on account of decrease in net profit.
3. Net profit Ratio - The ratio was lower on account of decrease in net profit and net sales.

March 2020 compared with March 2019

1. Debt-Equity Ratio - The ratio was lower on account of decrease in debt.
2. Debt Service Coverage Ratio - The ratio was lower on account of increase in borrowings and lease payments.
3. Return on Equity - The ratio was lower on account of decrease in net profit.
4. Net Capital Turnover Ratio - The ratio was lower on account of decrease in net profit and Capital.

67 Leases

Company as lessee

The Group's leased assets primarily consist of leases for land, building and machinery. Leases of land, building and machinery generally have lease term between 10 years to 95 years, 2 to 5 years and 2 to 10 years respectively. The leases includes non-cancellable periods and renewable option at the discretion of lessee which has been taken into consideration for determination of lease term.

i) Set out below are the carrying amounts of right of use assets and the movements during the period:

Particulars	(₹ in million)			
	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Opening Liability	1,362.03	1,347.38	1,390.04	-
Initial application of Ind AS 116	-	-	-	1,199.10
Additions	1.47	64.19	0.12	216.89
Deletions	-	(0.05)	-	-
Charge for the period/ year	(32.43)	(49.49)	(42.78)	(25.95)
Closing Liability	1,331.07	1,362.03	1,347.38	1,390.04

ii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	(₹ in million)			
	31 December 2021	31 March 2021	31 March 2020	31 March 2019
Opening Liability	198.01	188.15	189.67	-
Initial application of Ind AS 116	-	-	-	2.69
Additions	1.47	59.83	0.12	216.54
Termination	-	(0.04)	-	-
Accretion of interest	15.82	21.82	19.70	13.38
Payments	(31.68)	(71.75)	(21.34)	(42.94)
Closing Liability	183.62	198.01	188.15	189.67

The weighted average rate applied is in the range of 11.50% to 11.30%

iii) The following are the amounts recognised in the statement of profit and loss:

Particulars	(₹ in million)			
	Period From 01 April 2021 to 31 December 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation expense of right-of-use assets	32.43	49.49	42.78	25.95
Interest expense on lease liabilities	15.82	21.82	19.70	13.38
Expense relating to short-term and cancellable leases (included in other expenses)	45.98	72.55	104.31	118.12
Total amount recognised in the statement of profit and loss	94.23	143.86	166.79	157.45

iv) The undiscounted maturity analysis of lease liabilities is as follows:

Particulars	(₹ in million)				Total
	within 1 year	2-5 years	5-10 years	10 years and above	
31 December 2021					
Lease payments	38.12	163.38	50.20	2.12	253.82
Finance charge	18.66	45.70	5.25	0.59	70.20
31 March 2021					
Lease payments	48.10	161.52	72.02	2.38	284.02
Finance charge	20.68	54.84	9.76	0.73	86.01
31 March 2020					
Lease payments	79.67	92.51	101.12	2.72	276.02
Finance charge	17.14	51.89	17.92	0.92	87.87
31 March 2019					
Lease payments	63.67	129.72	100.78	3.06	297.24
Finance charge	19.69	69.03	17.71	1.13	107.56

68 Disposal of interest in Joint Venture

During the year ended 31 March 2020, on 10 July 2019, the Group sold 147 equity shares of Allied Blenders and Distillers International General Trading LLC for ₹ 0.14 million. The difference between the selling amount and carrying value of investment is recognised as profit on sale of investment in the statement of profit and loss.

69 The Group has assessed the impact of Covid-19 pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, to determine the impact on the Group's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables, loans and advances and deferred tax assets. The impact of Covid-19 pandemic on the overall economic environment being uncertain, it may affect the underlying assumptions and estimates used to prepare Group's consolidated financial statements, which may differ from those considered as at the date of approval of these consolidated financial statements. The Group has resumed its business activities, in line with guidelines issued by the Government authorities, taken steps to strengthen its liquidity position and initiated cost restructuring exercise. However, the Group does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations. As the situation is unprecedented, while the lockdown is gradually lifting, the Group is yet closely monitoring the situation as it continues to evolve in the future.

70 i) The Company has entered into a share purchase agreement (SPA) dated 15 July 2021 to acquire the entire shareholding of ABD Dwelling Private Limited and Madanlal Estates Private Limited, at their respective face value of ₹ 10 each for a consideration of ₹ 0.1 million and ₹ 0.1 million, respectively. Consequent to the said purchase, both these entities have become wholly owned subsidiaries w.e.f. 15 July 2021. The acquisition have been accounted as per asset acquisition method. Details of the net assets and liabilities acquired as on the date of purchase are as follows:

Particulars	(₹ in million)		
	ABD Dwellings Private Limited	Madanlal Estate Private Limited	Total
Total Assets	191.85	378.41	570.26
Total Liabilities	210.14	385.23	595.37
Net Assets	(18.29)	(6.82)	(25.11)
Less: Purchase Consideration	0.10	0.10	0.20
Adjusted to Assets	(18.39)	(6.92)	(25.31)

ii) The Company received the sum of ₹ 1,000 million from Oriental Radio Private Limited, a promoter entity and related party as application money towards allotment of 8.5% Compulsorily Convertible Debentures (convertible securities) on 14 June 2021. However, the application money was subsequently refunded to the party within the prescribed time. On 8 July 2021, the Company has again received ₹ 1,000 million towards allotment of convertible securities and the allotment completed within statutory timelines.

On 27th July 2021, the Company has issued 85,47,000 compulsory convertible debentures (CCD) to Oriental Radios Private Limited. Coupon on CCD is 8.5% which is to be paid in quarterly instalments. The holder shall have the right to exercise the conversion option of all or part of the CCDs at anytime after the expiry of 60 months after the date of allotment of CCDs at a conversion ratio of 1:1.

In the event, the Company proposes a listing at anytime after the date of CCD subscription, then subject to the Company having obtained prior consent of the holder, immediately prior to filing of a draft red herring prospectus ('DRHP') with the Securities Exchange Board of India (SEBI) / Concerned authority in connection with such listing, or such later date as may be permitted by SEBI / concerned authority in accordance with the applicable law, all CCDs that have not been converted into equity shares shall convert into equity shares without any further Act by or on behalf of the holder of CCDs.

iii) On 8 July 2021, the Company decided to recall its advance provided to Ashoka Liquors Private Limited (a related party) amounting ₹ 750 million, which has been received on 8 July 2021. Consequently, the Company and Ashoka Liquors Private Limited have mutually decided to redeem the NCCPS issued by the Company and NCCPS has been redeemed on 8 July 2021.

71 Exceptional item includes ₹ Nil (31 March 2021 - ₹ Nil) (31 March 2020 - ₹ Nil) (31 March 2019 - ₹ 176.81 million) paid for legal charges, professional fees and travelling expenses incurred on account of capital raising activity carried out during the year ended 31 March 2019.

72 Subsequent events

i) Amount due from Power Brands Enterprises India Private Limited has been recovered subsequently post balance sheet

73 Other Statutory Information

- a The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b The Group do not have any transactions with companies struck off.
- c The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- d The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- i The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Group.
- h Group is not a declared willful defaulter by any bank or financial Institution or other lender

74 The Restated Consolidated Financial Information were approved by the Board of Directors on 13 June 2022.

The accompanying notes form an integral part of the restated consolidated financial statements

This is a summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N / N500013

**For and on behalf of the Board of Directors Allied Blenders and Distillers Limited
(Formerly known as Allied Blenders and Distillers Private Limited)**

Adi P. Sethna
Partner
Membership No. 108840
Place : Mumbai
Date: 13 June 2022

Shekhar Ramamurthy
Executive Deputy Chairman
DIN: 00504801
Place: Mumbai
Date: 13 June 2022

Arun Barik
Executive Director
DIN 07130542
Place : Mumbai
Date: 13 June 2022

Ramakrishnan Ramaswamy
Chief Financial Officer

Place: Mumbai
Date: 13 June 2022

Ritesh Shah
Company Secretary
A14037
Place: Mumbai
Date: 13 June 2022

OTHER FINANCIAL INFORMATION

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company and our Material Subsidiaries for Fiscals 2021, 2020 and 2019 (collectively, the “**Audited Financial Statements**”) are available on our website <https://www.abdindia.com/investor-relations/financial-information/annual-reports>.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence (collectively, the “**Group**”) and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor Book Running Lead Managers or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

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Set forth below are the details of accounting ratios as of nine months ended December 31, 2021, Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 calculated based on the Restated Consolidated Financial Information:

(in ₹ million)

Particulars	Nine months ended 31 December 2021*	Financial year ended 31 March 2021	Financial year ended 31 March 2020	Financial year ended 31 March 2019
Basic earnings per share ¹ (in ₹)	0.14	0.11	0.54	0.65
Diluted earnings per share ² (in ₹)	0.14	0.10	0.53	0.65
EBITDA ³ (in ₹ million)	1,586.02	2,129.96	2,500.43	3,169.69
Net worth ⁴ (in ₹ million)	4,061.00	3,817.82	3,796.19	2,918.17
Return on net worth ⁵ (%)	0.81	0.66	3.37	5.21
Net asset value per share ⁶ (in ₹)	16.64	15.75	15.66	12.39

*not annualised

Notes:

- ¹ Basic EPS amounts are calculated by dividing the restated profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year
- ² Diluted EPS amounts are calculated by dividing the restated profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into Equity shares
- ³ Profit before finance costs depreciation/amortisation, share in profit of investment accounted for using equity method, exceptional items and income tax expenses
- ⁴ Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation
- ⁵ Calculated as restated profit for the year divided by net worth
- ⁶ Calculated as Net worth divided by number of equity shares outstanding as at the year-end after considering the impact of convertible securities

RELATED PARTY TRANSACTIONS

For further details of the related party transactions, as per the requirements under applicable Accounting Standards, *i.e.*, Ind AS 24 ‘*Related Party Transactions*’ read with SEBI ICDR Regulations for the nine month period ended December 31, 2021 and the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 as reported in the Restated Consolidated Financial Information, see “*Financial Information*” beginning on page 272.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Financial Information on page 272. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2019, 2020 and 2021 and the nine months ended December 31, 2021 included herein is derived from the Restated Consolidated Financial Statements, included in this Draft Red Herring Prospectus, which have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. For further information, see "Financial Information" on page 272 .

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Allied Blenders and Distillers Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Allied Blenders and Distillers Limited on a consolidated basis.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Industry Report On Indian Alco-Beverage Market" dated June 21, 2022 (the "Technopak Report"), prepared and issued by Technopak Advisors Private Limited appointed on March 23, 2022, and exclusively commissioned by and paid for by us in connection with the Offer. A copy of the Technopak Report is available on the website of our Company at <https://www.abdindia.com/investor-relations/investor-information/reports/>. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the Technopak Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Internal Risk Factors – 62. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report prepared by Technopak Advisors Private Limited exclusively commissioned and paid for by us for such purpose." on page 65. Also see, "Certain Conventions, Currency of Presentation, Use of Financial Information and Market Data – Industry and Market Data" on page 29.

OVERVIEW

We are the largest Indian-owned Indian-made foreign liquor ("IMFL") company and the third largest IMFL company in India, in terms of annual sales volumes between Fiscal 2014 and Fiscal 2021. (Source: *Technopak Report*) We are one of the only four spirits companies in India with a pan-India sales and distribution footprint, and a leading exporter of IMFL, in terms of annual sales volumes between Fiscal 2019 to Fiscal 2021 with an estimated peak share of 20% in Fiscal 2021. (Source: *Technopak Report*) For further information, see "*Industry Overview*" on page 137.

Our flagship brand, *Officer's Choice Whisky* was launched in 1988 with our entry into the mass premium whisky segment. *Officer's Choice Whisky* has been among the top selling whisky brands globally in terms of annual sales volumes between calendar year 2016 and 2019. (Source: *Technopak Report*) Over the years, we have expanded and introduced products across various categories and segments. As of March 31, 2022, our product portfolio comprised 10 major brands of IMFL across whisky, brandy, rum and vodka. Certain of our brands, such as, *Officer's Choice Whisky*, *Sterling Reserve* and *Officer's Choice Blue*, are 'Millionaire Brands' or brands that have sold over a million 9-litre cases in one year. (Source: *Technopak Report*)

The following table sets forth annual sales volumes for our *Millionaire Brands* for the periods indicated:

Particulars	Fiscal			Nine Months ended December 31, 2021
	2019	2020	2021	
	Annual Sales Volumes (million cases)			
Whisky				
- <i>Officer's Choice Whisky</i>	24.70	20.29	15.54	12.79
- <i>Officer's Choice Blue</i>	8.98	8.46	5.84	4.30
- <i>Sterling Reserve</i>	1.76	2.91	2.97	2.71
Brandy				
- <i>Officer's Choice</i>	1.10	0.84	0.54	0.31

Our product range includes four main categories of IMFL, i.e., whisky, brandy, rum and vodka. We also sell packaged drinking water under our *Officer's Choice*, *Officer's Choice Blue* and *Sterling Reserve* brands. The following table sets forth sales volume according to category of IMFL for the periods indicated:

Particulars	Fiscal			Nine Months ended December 31, 2021
	2019	2020	2021	
	Annual Sales Volumes (million cases)			
Whisky	35.60	31.85	24.60	20.04
Brandy	1.29	1.02	0.67	0.39
Rum	0.29	0.27	0.20	0.20
Vodka	0.14	0.09	0.05	0.03
Volume Sold	37.32	33.23	25.52	20.66

The following table sets forth our revenues from operations relating to our IMFL product categories for the periods indicated:

Category	Fiscal						Nine months ended December 31, 2021	
	2019		2020		2021		Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)
	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)	Revenue from contracts with customer - Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer - Sale of goods (IMFL) (%)		
Whisky	86,415.27	97.74%	78,389.20	97.98%	62,245.79	98.82%	52,851.39	98.95%
Others*	2,001.02	2.26%	1,616.59	2.02%	743.54	1.18%	558.20	1.05%
Total	88,416.29	100.00%	80,005.79	100.00%	62,989.33	100.00%	53,409.59	100.00%

* *Others primarily includes brandy, rum and vodka*

We have over the years established market leadership in the alcoholic beverages market in India with a market share of 8.2% in IMFL market by sales volumes in Fiscal 2021 (*Source: Technopak Report*), with sales across 30 States and Union Territories, as of December 31, 2021. Over the years, we have developed an extensive pan-India sales footprint and as of December 31, 2021 we have 12 regional sales support offices, and pan-India route-to-market capabilities covering all channels and alcohol permitted States and Union Territories. Our pan-India distribution network has enabled us to support the growth in annual sales volumes of our products. As of March 31, 2021, our products were retailed across 64,001 outlets in India (*Source: Technopak Report*). We believe that our industry position, strength of our brands, our pan-India sales footprint and logistics arrangements have further consolidated our position leading to significant business growth and financial performance. In addition, as of December 31, 2021, we exported our products to 22 international markets, including countries in the Middle East, North and South America, Africa, Asia and Europe.

Over the years, we have invested in strengthening our brand awareness and the goodwill of our brands. Our key brands have been awarded at recognised award functions including at the Design and Packaging Masters, The Spirits Business London, Monde Selection Bruxelles, International Taste Institute- ITQI Brussels, DMAasia

ECHO, exchange4media Indian Digital Marketing Awards, Adgully Digixx, Afaqs Marketers Xcellence among others. We have adopted a lifestyle approach towards our brand positioning by focusing on building awareness, enhancing the appeal of our products sold under various brands, ensuring affordability of our products, maintaining the quality of products sold and building consumer engagement. Our brand-building initiatives have in the past included partnerships with teams participating in the Indian Premier League, the Pro Kabaddi League and partnerships with regional football leagues for our focus markets of West Bengal and the North East. We have also in the past appointed celebrity brand ambassadors including a leading cricket personality.

We own and operate our distillery located in Rangapur, Telangana that is spread over 74.95 acres with a built-up area of over 25,000 square meters. Our in-house distillation capacity of extra neutral alcohol (“ENA”), the key material used in the manufacture of our products, is 54.75 million litres per year. We also have extensive bottling capabilities across India. As of December, 2022, we relied on 30 bottling facilities, including bottling facilities owned and operated by us and contract bottling facilities both on exclusive and non-exclusive basis, for bottling our products. As of December 31, 2021, we owned and operated nine bottling units, and had entered into arrangements with six third-party bottling facilities where the entire licensed capacity is utilized by us. Over the years, we have developed relationships with third-party bottlers and as of December 31, 2021, we have entered into 15 bottling agreements on a non-exclusive basis including one where we have entered into a royalty arrangement. We maintain oversight, quality control and technical input on the manufacturing process and further support this by facilitating the procurement of raw materials such as ENA and packaging materials to our third-party bottlers. We have also implemented quality control and assurance parameters, and continue to improve these processes with our third-party bottlers. Third-party bottling of our products provides us with flexibility to meet our production requirements. In addition, owing to our contractual arrangements with local and regional third-party bottlers we are not required to transport our products beyond state borders thereby limiting any additional excise import and export duty expenses that we would otherwise incur, which ensures that our products remain competitively priced.

We have an experienced and distinguished Board of Directors who have helped grow our operations and also provides us with strategic leadership and guidance. Our operations have been professionally managed. Shekhar Ramamurthy, our Whole-Time Director (Executive Deputy Chairman), has been instrumental in implementing strategic business initiatives, and focusing on identifying opportunities and drive growth and value. Ramakrishnan Ramaswamy, our Chief Financial Officer has been associated with our Company since May 2010 and has extensive experience in finance. Our senior management team includes individuals who possess industry experience across sectors with significant business expertise in consumer goods, sales and marketing, manufacturing and finance matters. We believe that their extensive experience has enabled us to capitalize on growth opportunities in the Indian alcoholic beverages industry. In order to provide impetus and acceleration to the growth of our operations, we decided to reconstitute the composition of our Board and senior management to include more industry experts. As part of the proposed reconstitution, Kishore Rajaram Chhabria, Whole-Time Director (Chairman) will be redesignated as an non-executive Chairman with effect from the listing date of our Equity Shares in the proposed Offer. This would result in rationalization of certain business related expenses such as salary, office expenses, expenses in relation to various employees and consultants associated with the chairman’s office and operating overheads. In the nine months ended December 31, 2021, these expenses amounted to ₹ 704.00 million. We believe that the reconstitution of our Board and senior management team will result in significant operational efficiencies and cost rationalization for our operations.

Over the years our business has generated positive operating cash flows despite the impact of COVID-19. Our net cash generated from operating activities was ₹ 1,911.08 million, ₹ 5,945.31 million, ₹ 2,466.18 million and ₹ 954.10 million in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, respectively. Our Net Worth was ₹ 2,918.17 million, ₹ 3,796.19 million, ₹ 3,817.82 million and ₹ 4,061.00 million, as of March 31, 2019, 2020 and 2021 and as of December 31, 2021, respectively.

The following table sets forth certain key financial performance indicators as of and for the periods indicated:

Particulars	As of and for the Years ended March 31,			As of and for the Nine Months ended December 31, 2021
	2019	2020	2021	
	(₹ million, except percentages)			
Revenue from Operations	89,345.97	81,190.65	63,787.76	54,449.84
Gross Margin (%)	41.01%	37.65%	39.49%	40.29%
EBITDA ⁽¹⁾	3,169.69	2,500.43	2,129.96	1,586.02

Particulars	As of and for the Years ended March 31,			As of and for the Nine Months ended December 31, 2021
	2019	2020	2021	
	(₹ million, except percentages)			
EBITDA Margin ⁽²⁾	10.33%	8.35%	9.07%	8.15%
Profit after tax for the year/period	152.01	127.93	25.08	33.02
PAT Margin ⁽³⁾	0.50%	0.43%	0.11%	0.17%
ROE ⁽⁴⁾	5.21%	3.37%	0.66%	0.81%
ROCE ⁽⁵⁾	42.72%	28.77%	26.45%	18.74%
Net Debt / Equity ⁽⁶⁾	4.51	2.53	2.39	2.24

Notes:

1. EBITDA is calculated as profit before finance costs, depreciation/amortisation, share in profit of investment accounted for using equity method, exceptional items and tax.
2. EBITDA Margin is calculated as EBITDA divided by net revenue from operations.
3. PAT Margin is calculated as profit for the year/period divided by net revenue from operations.
4. ROE is calculated as profit after tax for the year/period divided by total equity.
5. ROCE is calculated as EBITDA less depreciation and amortization divided by capital employed (total equity plus non-current borrowings).
6. Net Debt/Equity is calculated as non-current borrowings plus current borrowings less cash and cash equivalents divided by total equity.

PRESENTATION OF FINANCIAL INFORMATION

The restated consolidated financial information comprises the restated consolidated statement of assets and liabilities as of March 31, 2019, 2020 and 2021 and as of December 31, 2021, the restated consolidated statement of profit and loss including other comprehensive income, the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the years ended March 31, 2019, 2020 and 2021 and the nine month ended December 31, 2021, the summary statement of significant accounting policies, and other explanatory information (collectively, the “**Restated Consolidated Financial Statements**”).

The Restated Consolidated Financial Statements have been compiled from:

- The audited special purpose interim consolidated Ind AS financial statements as of and for the nine months period ended December 31, 2021 prepared in accordance with Ind AS 34 “Interim Financial Reporting”, specified under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on June 13, 2022.
- The audited consolidated Ind AS financial statements as of and for the years ended March 31, 2019, 2020 and 2021, prepared in accordance with the Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 24, 2019, December 1, 2020 and July 20, 2021.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

We believe that the below mentioned factors have significantly affected our results of operations, costs and financial conditions during the periods under review, and may continue to affect our results of operations and financial condition in the prospective future:

Pricing of our products and product mix

Pricing of our products

Prices of alcoholic beverages in India is controlled by respective state governments with varying tax structures leading to high variation in prices across states. (Source: *Technopak Report*) Accordingly, our ability to price our products depends on multiple factors and primarily driven by pricing norms stipulated by respective States and Union Territories. Price is determined by two key factors: (i) Ex-distillery price (“EDP”) which covers the cost of production; and (ii) state excise policies which specify duties, license fees, cess and surcharges, wholesale

margin and retail margin. Taxes and margin are calculated as a percentage of EDP. The contribution of taxes and margins progressively decreases as the EDP increases depending on the category of product. One of the key challenges in the industry is the revision of prices. Price revisions are approved and is the prerogative of excise department. While the window to revise cost many states is annual in nature, the revision can be every three to four years in some states such as Kerala and Telangana, even though price of raw material may increase or decrease through the year. There are exceptions like Maharashtra where maximum retail price can be revised through the year. (Source: Technopak Report) Accordingly, our ability to price our products depends on multiple factors and is primarily driven by state pricing norms. We are required to price our products in manner that ensures our products remain competitive while also factoring in our ability to account of increase in raw material prices and other costs such as manufacturing and transportation related expenses. Our ability to increase prices of our products ad-hoc is limited and applications for increase in EDP is as prescribed under the applicable state regulations or at the discretion of the relevant state agency.

Product mix

Our product range includes four main categories of IMFL, i.e., whisky, brandy, rum and vodka. We also sell packaged drinking water under our *Officer's Choice*, *Officer's Choice Blue* and *Sterling Reserve* brands. As of March 31, 2022, our product portfolio comprised 10 brands of IMFL with six brands of whisky that include our flagship *Officer's Choice Whisky* and *Sterling Reserve Whisky*, two brands of rum, three brands of brandy and one brand of vodka, respectively.

Our products are present across various price points of IMFL segments in India. However, our revenue and profitability remain substantially dependent upon the sale of our whisky products. *Officer's Choice Whisky* has been among the top selling whisky brands globally in terms of annual sales volumes between calendar year 2016 and 2020. (Source: Technopak Report) *Officer's Choice Whisky* is the market leader in the mass premium segment with a market share of 23% in terms of annual sales volumes in Fiscal 2021. (Source: Technopak Report) The following table sets forth information on our product mix for the periods indicated:

Category	Fiscal									Nine months ended December 31, 2021		
	2019			2020			2021			No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)
	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)	No. of Cases (million)	Revenue from Operations (₹ million)	Percent age of Revenue from Operations (%)			
Whisky	35.60	86,415.27	96.72%	31.85	78,389.20	96.55%	24.60	62,245.79	97.58%	20.04	52,851.39	97.06%
Brandy	1.29	1,253.99	1.40%	1.02	968.72	1.19%	0.67	413.67	0.65%	0.39	302.74	0.56%
Rum	0.29	463.95	0.52%	0.27	438.61	0.54%	0.20	223.89	0.35%	0.20	182.17	0.34%
Vodka	0.14	230.19	0.26%	0.09	140.98	0.18%	0.05	65.56	0.10%	0.03	35.34	0.06%
Others ⁽¹⁾	-	982.57	1.10%	-	1,253.14	1.54%	-	838.85	1.32%	-	1,078.20	1.98%
Total	37.32	89,345.97	100.00%	33.23	81,190.65	100.00%	25.52	63,787.76	100.00%	20.66	54,449.84	100.00%

⁽¹⁾ Others primarily includes ENA and by-products.

Our revenues are therefore dependent on our ability to upgrade and/or develop new products that are able to address consumer preferences. We place significant emphasis on research and development, in particular, to improve the packaging and quality of our products and expand our new product offerings, which we believe are factors crucial for our future growth and prospects. However, there can be no assurance that that our future research and development endeavours will be successful to the expected levels or be completed within the anticipated time frame or budget, or that our newly developed products will achieve commercial success. Even if such products can be successfully commercialised, there is no guarantee that they will be accepted by the market. In any such situation, , our results of operations may be significantly affected.

Manufacturing capabilities

Our distillery is located in Rangapur, Telangana and is spread over an area of 74.95 acres and a built-up area of over 25,000 square meters. We possess a pan-India footprint of bottlers with an optimal mix of owned and third

party bottling facilities. In Fiscal 2021, 58.82% of our production was from our own bottling facilities and the remaining from our contract or leased facilities. As of December 31, 2021, we owned and operated nine bottling units, and had entered into arrangements with six third-party bottling facilities where the entire licensed capacity is utilized by us. Over the years, we have developed relationships with third-party bottlers and as of December 31, 2021, we have entered into 15 bottling agreements on a non-exclusive basis including one where we have entered into a royalty arrangement. As of December 31, 2021, our products are bottled across 30 bottling facilities.

While our extensive and pan-India network of bottling facilities ensures that we are able to manufacture our products locally and at optimum cost without overlaying tariffs associated with inter-state movement, which also ensures that delivery to our distribution network is in a timely manner while aligning with various regulatory requirements. For further information, see “*Our Business – Business Operations – Capacity and Capacity Utilization*” on page 194.

Excise duty and government regulations

Excise duty

Taxes on alcohol increases its price and can be a powerful lever for influencing alcohol consumption. More than 60% of gross revenue of leading alcoholic beverage companies in India constitutes of excise paid directly to the state governments. Share of excise in total gross revenues of leading alcoholic beverage companies in India has shown an increasing trend. In addition to excise some states also charge sales tax. In addition to these taxes there are one time or annual fees on label registration and related activities. The quantum of tax under different heads is also a function of distribution model and revenue maximization objective of the states. (Source: *Technopak Report*) For further information, see “ – *Significant Factors Affecting our Results of Operations and Financial Condition - Distribution network and footprint*” on page 365.

State excise department also charge multiple annual fees including brand label registration fees before marketing of the given brand is allowed. This fee can be annual or once in three year or one time as well. Other fees can include bottling fees, stock transfer fees, import and export fees. (Source: *Technopak Report*)

As we are a manufacturer and distributor of alcoholic products, we are subject to excise duty that is administered by various State Governments in India. Excise duty is leviable on production, but payable on volume of goods dispatched from factory. Taxation on our products in the various states in which we operate comprises different taxes specific to each state, such as excise and other indirect taxes like import pass fee, export pass fee, amongst others. In many states where we operate, excise taxes make up a large proportion of the price paid by the consumers for our IMFL products. In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, we paid ₹ 58,674.56 million, ₹ 51,231.15 million, ₹ 40,304.10 million and ₹ 34,996.04 million in excise duty, which amounted to 65.67%, 63.10%, 63.18% and 64.27% of our revenue from operations in those periods, respectively. Increases in excise and other indirect taxes applicable to our products either on an absolute basis or relative to the levels applicable to other beverages tend to adversely affect our revenue or margins, both by reducing overall consumption and by encouraging consumers to switch to lower-taxed categories of beverages. These increases also adversely affect the affordability of our products and our ability to raise prices.

Governmental regulations

Government regulations and policies in the states where we operate and in the countries to which we export can affect the demand for our products. Governmental restrictions on alcohol consumption in India and in particular the states in which we operate vary. The most relevant restrictions are:

- National and state alcohol policy reviews and the implementation of policies aimed at preventing the harmful effects of alcohol misuse (including, among others, relating to underage drinking, drunk driving, drinking while pregnant and excessive or abusive drinking);
- Restrictions on the sale of alcohol generally, including restrictions on distribution networks, restrictions on certain retail venues, requirements that retail stores hold special licenses for the sale of alcohol, restrictions on times or days of sale, minimum alcohol unit pricing requirements and variation in legal drinking age laws. For instance, Gujarat has banned its citizens from consuming liquor since 1961. However, outsiders with special licenses can still purchase. On the other hand, Bihar has prohibited alcohol consumption entirely. (Source: *Technopak Report*);

- The marketing of alcoholic beverages is highly regulated in India. The advertising restrictions for the alcohol industry in India affect, among other things, the media channels employed, the content of advertising campaigns for our products and the times and places where our products can be advertised. These restrictions and limitations relate to television, print and multimedia advertising of alcoholic beverages. These restrictions are on account of public concern over issues relating to alcohol abuse, health consequences, underage drinking and driving while under the influence of alcohol. Any additional restrictions, or the introduction of similar or more stringent restrictions, may constrain our brand building potential and thus reduce the value of our brands and related revenues. For further information, see “*Key Regulations and Policies*” on page 206;
- Restrictions imposed by antitrust or competition laws or general consumer protection laws;
- Food safety standards;
- Heightened environmental regulations and standards, including regulations addressing emissions of gas and liquid effluents and the disposal of waste and one-way packaging, compliance with which imposes costs; and
- Litigation associated with any of the above.

These tax regimes and regulations and policies to which we are subject could change at any time, with little or no warning or time for us to prepare. Our ability to comply with these regulations adequately and effectively will differ on a case by case basis, and such changes could have an adverse impact on our results of operations and financial condition.

Ability to maintain brand image and cater to consumer preferences

Over the years, we have introduced contemporary brands that appeal to consumer tastes and preferences. The results of our operations are substantially affected by our ability to build on our brands by relaunching or reinvigorating our existing brands in current markets, launching our brands in new markets and introducing brand extensions and packaging alternatives for our existing brands, as well as our ability to both acquire and develop innovative products to respond to changing consumer preferences. Strong, well-recognized brands that attract and retain consumers, for which consumers are willing to pay a premium, are critical to our efforts to maintain and increase market share and benefit from high margins. We have strategically undertaken brand-building initiatives through prudent use of resources and sustained investments to increase awareness and recall. Our consumer centric approach in building brands has enabled us to achieve high sales volumes. Our brands have been positioned basis relevant consumer insights. Over the last three Fiscals, we have undertaken several campaigns, including our “*Jo Smooth Vahi Officer*” campaign that was aimed at appealing to consumers. However, consumer preferences may shift due to a variety of factors, including changes in demographics, changes in social trends, such as consumer health concerns, product attributes and ingredients, changes in travel, vacation or leisure activity patterns, weather or negative publicity resulting from regulatory action or litigation.

Key raw ingredients prices and packaging material costs

Our key raw ingredients include grain, extra neutral alcohol, malt spirit, and scotch. We use certain materials for packaging, which includes glass bottles, plastic and aluminium caps, as well as cardboard containers (master and mono). Leading companies in India are nowadays largely using ENA produced from grain in their IMFL products. (*Source: Technopak Report*) ENA, the main raw material that we use is subject to price volatility and unavailability caused by external conditions such as availability of grain and government interventions like allocation for fuel blending, commodity price fluctuations within India and globally, weather conditions, supply and demand dynamics, logistics and processing costs, our bargaining power with the suppliers, inflation and governmental regulations and policies. Climatic conditions such as unseasonal rain, changing monsoon conditions and the drastic and sudden peaks of temperatures within the same season that have characterized the last few years in India, can significantly damage harvests and affect the cultivation of grain. As a result of these changes in climate, there is a risk that we may not be able to obtain adequate supply of grain required to manufacture ENA for our business operations.

We presently procure our raw materials from select manufacturers and distillers through a process of empanelment which involves conducting technical due diligence of the facility, process monitoring over a period of time and

consistency of the quality of final product. We also do physical evaluation of products through our technical representative at the time of sourcing. Our procurement is based on our requirements on an on-going basis, through purchase orders, letters of intent and transport contracts at an “as needed” basis.

The cost of materials consumed, in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021 was ₹ 18,365.84 million, ₹ 18,451.21 million, ₹ 13,904.44 million and ₹ 12,005.34 million, and accounted for 21.28%, 23.40%, 22.48% and 22.68% of our total expenses (excluding finance cost and depreciation/amortisation), in such periods, respectively. We have significant exposure to fluctuations in the prices of raw materials, packaging materials, energy and transport services, each of which may significantly impact our cost of sales or distribution expenses. Increased costs or distribution expenses will reduce our profit margins if we are unable to recover these additional costs from our customers through enhanced selling prices. Any changes or significant increases in prices of raw ingredients or packaging material will, along with our inability to pass such cost increases on to our consumers by increasing our selling prices, will affect our results of operations.

Distribution network and footprint

We have access to a pan-India multi-channel distribution network and are one of only four spirits companies in India with a pan-India sales and distribution footprint. (Source: *Technopak Report*) We depend on effective distribution networks to deliver products to consumers. We constantly seek to grow our product reach to under-penetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. Our ability to access an extensive distribution network ensures that we are able to serve consumers across India.

Regulated distribution is one of the tools used by state governments to control the sale of alcoholic beverages. As each state has its own model of distribution, there are multiple modes being used in the country including complete control of distribution network including state run wholesaling and retailing to control over either wholesaling or retailing. However, in some states, distribution is not carried out directly by the state where both wholesaling and retailing is in the hand of private parties. (Source: *Technopak Report*)

We use different distribution networks across different markets in which we operate, as appropriate, either because of historical market practice or for structural or regulatory reasons. Our multiple route to market capabilities cover all channels and include:

Open Market. We sell our products directly to wholesalers and retailers controlled by private distributors and retailers. This option is prevalent in states such as Maharashtra, Goa and Assam. (Source: *Technopak Report*)

Part Corporation Market. Part Corporation Markets, have the following types of model: (i) wholesale and distribution is undertaken by state beverage corporations while retail sales is undertaken by private players; and (ii) private retailers lift stock from the warehouses of the state beverage corporations and are invoiced based on the quantities of stock lifted by them. Part Corporation Market route is prevalent in states such as Rajasthan, Karnataka and Madhya Pradesh. (Source: *Technopak Report*)

Full Corporation Market. In Full Corporation Markets, wholesale and retail sales are controlled by state beverage corporations. Full Corporation Market route is prevalent in states such as Kerala, Andhra Pradesh and Tamil Nadu. (Source: *Technopak Report*)

The table below sets forth certain details regarding the distribution of our products based on various channels for the periods indicated:

Channel	Fiscal									Nine Months ended December 31, 2021		
	2019			2020			2021			Volume (Million Cases)	Revenue from contracts with customer-Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer-Sale of goods (IMFL) (%)
	Volume (Million Cases)	Revenue from contracts with customer-Sale of goods (IMFL)	Percentage of Revenue from contracts with customer-Sale of goods (IMFL) (%)	Volume (Million Cases)	Revenue from contracts with customer-Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer-Sale of goods (IMFL) (%)	Volume (Million Cases)	Revenue from contracts with customer-Sale of goods (IMFL) (₹ million)	Percentage of Revenue from contracts with customer-Sale of goods (IMFL) (%)			
Open Market	13.88	28,521.27	32.26%	12.99	32,134.04	40.16%	11.15	28,595.97	45.40%	9.04	24,270.96	45.44%
Part (Whole sale) Corporation Market	18.50	53,452.92	60.46%	16.57	42,593.85	53.24%	13.85	33,884.61	53.79%	11.25	28,728.94	53.79%
Full (Whole sale and Retail) Corporation Market	4.95	6,442.10	7.29%	3.68	5,277.90	6.60%	0.52	508.75	0.81%	0.37	409.70	0.77%
Revenue from contracts with customer-Sale of goods (IMFL)	37.33	88,416.29	100.00%	33.23	80,005.79	100.00%	25.52	62,989.33	100.00%	20.66	53,409.59	100.00%

Market potential of our products

IMFL is the largest segment of Indian alco-beverage market both in volume and value terms. IMFL segment recorded sales of 310 million cases in Fiscal 2021 with a decline of 11.4% in volume as compared to Fiscal 2020 sales at 350 million cases. IMFL market is estimated to have recovered to 355 million cases in Fiscal 2022. IMFL sales volume is projected to reach 425 million cases by Fiscal 2025. IMFL sales by value is estimated at ₹ 174,000 crores in Fiscal 2022. Further, the IMFL sales value is projected to reach ₹ 240,000 by Fiscal 2025. During the period between Fiscal 2022 and Fiscal 2025, IMFL sales value is expected to grow at a CAGR of 11.3% and sales volume is expected to grow at a CAGR of 6.2% (Source: Technopak Report).

Flavoured local alcoholic beverage popularly known as country liquor or Indian made Indian liquor is close to one third of the alcoholic beverage market by volume in Fiscal 2021. Country liquor market was estimated at 325 million cases in Fiscal 2022. However, market is projected to be range bound at 350 million cases by Fiscal 2025. We believe we can address the requirements of large segments of audiences that currently consume country liquor

or economy brands and are looking to upgrade. Our flagship brand, *Officer's Choice Whisky* is the market leader in the mass premium segment with a market share of 23% in terms of annual sales volumes in Fiscal 2021. (Source: *Technopak Report*) We believe there exists significant market potential for our whisky products. Our market leading position in this segment augurs well for our growth and we expect to benefit from the potential growth in the mass premium segment going forward.

Impact of COVID-19

The impact of the COVID-19 pandemic on our business, included closure of our distillery and bottling units, closure of both off-trade and on-trade channels, and disruption to our supply chain due to sporadic availability of raw materials, fluctuating and unpredictable demands. There was a temporary closure of our office and certain temporary decline in availability of workforce due to some employees contracting the virus, rationalization of workforce, and restrictions on travel and movement due to lockdowns imposed by various state governments, which affected commute of employees to their places of work. There were also disruptions of the services we receive from our suppliers, transportation and logistics partners, and disruptions due to compliance with evolving government regulations, including with respect to social distancing measures and sanitization practices. Temporary shutdown of our distillery and owned and/or operated bottling facilities and bottling facilities with whom we have a tie-up significantly impacted our business and the total cases sold by us declined from 33.23 million cases in Fiscal 2020 to 25.52 million cases in Fiscal 2021 and was 20.66 million cases in the nine months ended December 31, 2021.

The impact of possible subsequent waves of the virus on our business cannot be ascertained at this time and we cannot currently estimate the duration or future negative impact of any subsequent wave of the COVID-19 pandemic on our ability to continue expanding our business, or improve our revenues. We are significantly exposed to the public health and economic effects of the COVID-19 pandemic and there can be no assurance that our business will not be adversely affected if the COVID-19 pandemic were to worsen or last for an extended period, or if subsequent waves and more restrictive measures were to be implemented.

Also see “*Risk Factors – Internal Risk Factors – 6. The current and continuing impact of the COVID-19 pandemic on our business and operations, including its impact on the ability or desire of consumers to purchase our products, may have an adverse effect on our business prospects and future financial performance.*” on page 38.

NON-GAAP MEASURES

Earnings before Interest, Taxes, Depreciation and Amortization Expenses (“EBITDA”)/ EBITDA Margin

EBITDA presented in this Draft Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, EBITDA is not a standardised term; hence a direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure. Although EBITDA is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

Reconciliation of EBITDA and EBITDA Margin to Profit Before Tax

The table below reconciles profit before tax to EBITDA. EBITDA is calculated as profit/loss for the year/ period, plus finance costs, depreciation and amortization expenses, less other income, while EBITDA Margin is the percentage of EBITDA divided by Net Revenue from Operations.

Particulars	Fiscal			Nine months ended December 31, 2021
	2019	2020	2021	
	(₹ million)			
Profit before tax	341.67	4.13	127.45	45.99
Adjustments:				
Add: Finance Costs	1,876.29	1,802.07	1,415.10	1,106.75
Add: Depreciation and Amortization expense	776.26	694.23	587.41	433.28
Add: Exceptional Item and others	175.47	-	-	-
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (A)	3,169.69	2,500.43	2,129.96	1,586.02
Net Revenue from Operations (Revenue from Operations less excise duty) (B)	30,671.42	29,959.50	23,483.67	19,453.79
EBITDA Margin (EBITDA as a percentage of Net Revenue from Operations) (A/B)	10.33%	8.35%	9.07%	8.15%

SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation and equity accounting

Subsidiaries

Subsidiaries are all entities over which we have control. We control an entity when we are exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to us. They are deconsolidated from the date that control ceases.

We combine the financial statements of our Company and our subsidiaries line by line, adding together like items of assets, liabilities, income and expenses. Inter-Company transactions, balances and unrealised gains on transactions between us are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company. Non-controlling interests, if any in the results and equity of subsidiaries are shown separately in the restated Consolidated Statement of Profit and Loss, restated Consolidated Statement of Changes in Equity and restated Consolidated Balance Sheet respectively.

Associates and Joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these restated consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the restated consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as

goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Business combinations

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Other business combinations, involving entities or businesses are accounted for using acquisition method.

Consideration transferred in such business combinations is measured at fair value as on the acquisition date, which comprises the following

- Fair values of the assets transferred
- Liabilities incurred to the former owners of the acquired business
- Equity interests issued by the Company

Goodwill is recognised and is measured as the excess of the sum of the consideration transferred, the amount of any non- controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, over the net consideration amounts, *i.e.*, identifiable assets acquired and the liabilities assumed.

Revenue Recognition

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

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

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products are recognised by the Group at a point in time on which the performance obligation is satisfied.

Revenue from sale of products

Revenue is recognised on transfer of control, being on dispatch of goods or upon delivery to customer, in accordance with the terms of sale.

Revenue from manufacture and sale of products from tie-up manufacturing arrangements:

The Group has entered into arrangements with Tie-up Manufacturing Units ("TMUs"), where-in TMUs manufacture and sell on behalf of the Group. Under such arrangements, the Group has exposure to significant risks and rewards associated with the sale of products *i.e.*, it has the primary responsibility for providing goods to the customer, has pricing latitude and is also exposed to inventory and credit risks. Accordingly, the transactions

of the TMUs under such arrangements have been recorded as gross revenue, excise duty and expenses as if they were transactions of the Group. The Group also presents inventory lying with TMU's under such arrangements as its own inventory. The net receivables from/payable to TMUs are recognised under other financial assets/other financial liabilities as due from tie up units or due to tie up units respectively.

Interest

Interest income for all debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Foreign Currency Transactions

The functional currency of the Company and its subsidiaries is Indian rupee.

Transactions in foreign currency are recorded at exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance sheet date and exchange gain or loss arising on their settlement and restatement are recognized in the Statement of Profit and Loss. Non-monetary assets and liabilities that are recorded in terms of historical cost are not retranslated.

Income tax

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

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

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

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

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

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

Leases

As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, (if any) and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies note g for impairment of nonfinancial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce Property plant and equipment) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group’s lease liabilities are included in financial liability.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of laptops, lease-lines and office furniture and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date to confirm if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of

the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss. After impairment, depreciation / amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

Cash and cash equivalents

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

Trade receivable

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

Inventories

Raw materials, work-in-progress, finished goods and packing materials are carried at the lower of cost and net realisable value. Damaged, non-moving / obsolete stocks are suitably written down/provided for.

In determining cost of raw materials, packing materials, work-in-progress and finished goods, weighted average cost method is used. Cost of inventory comprises all costs of purchase, non-refundable duties and taxes and all other costs incurred in bringing the inventory to their present location and condition.

Cost of work-in-progress and finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and condition.

Investments and financial assets

Classification

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

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

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

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

Measurement

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

Measurement of equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit and loss are recognised in the statement of profit and loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Offsetting financial instruments

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

Property plant and equipment (including Capital Work-in-Progress)

Freehold land is carried at historical cost less impairment loss, if any. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation / amortisation, and impairment loss, if any. Historical cost includes expenditure that is attributable to the acquisition/ construction and all other costs (including borrowing related to qualifying assets), that are not refundable and are necessary to bring the asset to its working condition of use as intended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

The cost of property, plant and equipment which are incurred before the date they are ready for their intended use, are disclosed as capital work-in-progress before such date. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation / Amortisation:

Depreciation is charged on written down value method as prescribed in Schedule II to the Companies Act, 2013 keeping a residual value of assets at 5% of the original cost, except in case of computers and data processing units where value is estimated at 1% of the original cost. Depreciation is calculated pro-rata from the date of addition/ or upto the date of disposal, as the case may be.

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

Intangible Assets and amortisation

Intangible assets with a finite useful life are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost includes expenditure that is attributable to the acquisition/ development of the intangible assets including cost necessary to bring the asset to its intended use or sale.

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured.

Software and related implementation costs are capitalized where it is expected to provide enduring economic benefits and are amortized over a period of 5 years starting from the month of addition.

Manufacturing license is considered as an asset with indefinite useful life, since there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The acquisition cost of such asset is carried at deemed cost and is tested for impairment annually.

Patent, trademarks and design, and license other than manufacturing license acquisition cost are amortised over a period of 10 years from the month of acquisition Goodwill arising on business combination is carried at deemed cost and is tested for impairment annually. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Borrowings

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

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

Borrowing Costs

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

Provisions, Contingent Liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are measured at present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the

liability. The increase in the provision due to passage of time is recognised as interest expense. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation where outflow of resources is not probable or where outflow is probable but reliable estimate of the amount cannot be made.

Contingent assets are not recognised in the financial statements. However, they are disclosed only when an inflow of economic benefits is probable.

Employee Benefits

Short term employee benefits

All employee benefits which are due within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined Contribution Plans

Group's contribution to the state governed provident fund scheme, superannuation scheme, Employees State Insurance corporation (ESIC) etc. are recognised during the year in which the related service is rendered.

Gratuity

The Group has computed its liability towards future payments of gratuity to employees, on actuarial valuation basis which is determined based on project unit credit method and the charge for current year is debited to the Statement of Profit and Loss. The present value of the defined benefit obligation, which is unfunded at present, is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating the terms of the related obligation. Actuarial gains and losses arising on the measurement of defined benefit obligation is charged/ credited to other comprehensive income.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. Our Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Termination Benefits

These are recognised as an expense in the statement of profit and loss of the year in which they are incurred, i.e. when employment is terminated or when an employee accepts voluntary redundancy in exchange for these benefits.

Earnings per share

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

other comprehensive income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Exceptional items

When an item of income or expense within statement of profit and loss from ordinary activity is of such size, nature or incidence that its disclosure is relevant to explain more meaningfully the performance of the Group for the year, the nature and amount of such items is disclosed as exceptional items.

Critical Estimates and Judgements

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

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

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

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

Property, plant and equipment and Intangible Assets

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

Income Tax

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

Contingencies

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

Impairment of financial assets

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

Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date to assess whether there is any indication that an individual asset / group of assets (constituting a cash generating unit) may be impaired. If there is any indication of impairment based on internal / external factors i.e. when the carrying amount of the assets exceed the recoverable amount, an impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced

if there has been a favorable change in the estimate of the recoverable amount. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Defined benefit obligation

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rate of return on assets, future salary increases and mortality rates. Due to the long term nature of these plans such estimates are subject to significant uncertainty. The assumptions used are disclosed in the notes to the financial statements.

Fair value measurements

Our management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

CHANGES IN ACCOUNTING POLICIES

Except as disclosed below, there have been no changes in our accounting policies during Fiscal 2019, 2020 and 2021, and the nine months ended December 31, 2021:

“Effective April 1, 2019, the Group adopted Ind AS 116 - “Leases”, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. The Group has adopted Ind AS 116, Leases under full retrospective approach to each prior reporting period presented with effect from 1st April 2019. For the purpose of preparing restated consolidated summary statements, Ind AS 116 has been applied retrospectively with effect from 01 April 2018.”

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Revenue

Our total revenue comprises: (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprises: (i) revenue from contracts with customers; and (ii) other operating income.

Revenue from contracts with customers includes revenues from sale of goods (IMFL) and sale of goods (ENA). We produce ENA that is required for the manufacture of our IMFL products. ENA produced by us that is in excess of our requirements is sold to third parties. In addition, we also generate revenues from the sale of certain by-products generated as part of our operations such as impure spirit, distillers wet grains with solubles (“**DWGS**”) and distillers dried grains with solubles (“**DDGS**”), amongst others.

Other operating income includes revenue from royalty arrangements with third parties for production and sale of our IMFL brand and other products such as water and on account of our export entitlements under Remission of Duties and Taxes on Export Products and Merchandise Export from India Scheme. We also generate other operating revenue from scrap and other sales.

Other Income

Other income includes (i) interest income on financial assets measured at amortised cost; (ii) interest on refund of income tax; (iii) profit on sale of investment; (iv) liabilities no longer required written back; (v) profit on sale of property, plant and equipment; (vi) fair value changes of investments measured at fair value through profit and loss; (vii) provision against receivables, written back on account of acquisition of Henkell; (viii) provision no

longer required written back; (ix) refund of excess statutory dues paid; (x) foreign exchange gain (net); and (xi) miscellaneous income.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) purchases of stock-in-trade; (iii) changes in inventories of finished goods, stock-in-trade and work-in-progress; (iv) excise duty; (v) employee benefits expense; and (vi) other expenses.

Costs of Materials Consumed

Cost of material consumed consists of raw materials and packing materials consumed.

Purchases of Stock-in-Trade

Purchases of stock-in-trade consists of purchase of Indian made foreign liquor and other purchases.

Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

Changes in inventories of finished goods, stock-in-trade and work-in-progress consists of opening stock less closing stock; increase / (decrease) in inventories; and increase in excise duty on finished goods.

Employee Benefits Expense

Employee benefits expense primarily comprises (i) salaries, wages and bonus; (ii) contribution to provident and other funds; and (iii) staff welfare expenses.

As of March 31, 2022, we had 3,548 staff, including our contract workers. We believe that an equity component in compensation aligns objectives of an individual with those of the organization.

Other Expenses

Other expenses primarily comprises: (i) power and fuel incurred towards operation of manufacturing facilities; (ii) contract labour charges; (iii) rates and taxes incurred towards label registration fees, licence fees, permit fees, import permit fees, amongst others; (iv) excise levies and escort charges incurred towards hologram charges, government bottling fees for IMFL production, amongst others; (v) bottling charges; (vi) selling and distribution expenses incurred towards freight for IMFL transportation, loading/unloading charges for IMFL, truck detention charges, amongst others; (vii) sales and business promotion incurred towards brand-building television advertisements, website digital promotion expenses, gifts, counter salesmen incentives, bar promotions, visibility, design and artwork, amongst others; and (viii) commission paid to sales promoters or agencies for product promotion, handling our IMFL sales activities.

Finance Costs

Finance costs comprises primarily (i) financial liabilities measured at amortised cost; (ii) interest on delay in payment of statutory dues; (iii) reimbursement to tie-up units for interest on delayed payments; (iv) interest on loan from related party; and (v) interest others.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses comprises (i) depreciation of property, plant and equipment; (ii) depreciation of right to use assets; and (iii) amortisation of intangible assets.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2019, 2020 and 2021 and for the nine months ended December 31, 2021:

Particulars	Fiscal						Nine months ended	
	2019		2020		2021		December 31, 2021	
	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)	(₹ million)	Percentage of Total Income (%)
Revenue								
Revenue from operations	89,345.97	99.86%	81,190.65	99.80%	63,787.76	99.70%	54,449.84	99.86%
Other income	122.60	0.14%	165.47	0.20%	190.36	0.30%	75.89	0.14%
Total Income	89,468.57	100.00%	81,356.12	100.00%	63,978.12	100.00%	54,525.73	100.00%
Expenses								
Cost of materials consumed	18,365.84	20.53%	18,451.21	22.68%	13,904.44	21.73%	12,005.34	22.02%
Purchases of stock-in-trade	51.27	0.06%	51.81	0.06%	37.30	0.06%	36.96	0.07%
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(325.24)	(0.36)%	175.63	0.22%	268.77	0.42%	(427.04)	(0.78)%
Excise duty	58,674.56	65.58%	51,231.15	62.97%	40,304.10	63.00%	34,996.04	64.18%
Employee benefits expense	1,764.53	1.97%	1,785.64	2.19%	1,722.38	2.69%	1,452.58	2.66%
Other expenses	7,767.92	8.68%	7,160.25	8.80%	5,611.17	8.77%	4,875.83	8.94%
Total expenses (excluding finance cost and depreciation / amortisation)	86,298.88	96.46%	78,855.69	96.93%	61,848.16	96.67%	52,939.71	97.09%
Profit before depreciation, finance costs and tax	3,169.69	3.54%	2,500.43	3.07%	2,129.96	3.33%	1,586.02	2.91%
Finance Costs	1,876.29	2.10%	1,802.07	2.22%	1,415.10	2.21%	1,106.75	2.03%
Depreciation and amortisation expenses	776.26	0.87%	694.23	0.85%	587.41	0.92%	433.28	0.79%
Profit before sharing profit of investment accounted for using equity method, exceptional items and tax	517.14	0.58%	4.13	0.01%	127.45	0.20%	45.99	0.08%
Share in net profit of associate/joint ventures accounted for using equity method net of tax	1.34	0.00%	-	-	-	-	-	-
Profit before exceptional items and tax	518.48	0.58%	4.13	0.01%	127.45	0.20%	45.99	0.08%

Exceptional item	176.81	0.20%	-	-	-	-	-	-
Profit before tax	341.67	0.38%	4.13	0.01%	127.45	0.20%	45.99	0.08%
Tax expense/(credit), net								
– Current tax	86.14	0.10%	-	-	45.51	0.07%	9.59	0.02%
– Deferred tax	98.33	0.11%	(119.88)	(0.15)%	68.76	0.11%	21.37	0.04%
– Tax adjustments in respect of earlier years	5.19	0.01%	(3.92)	0.00%	(11.90)	(0.02)%	(17.99)	(0.03)%
Profit after tax	152.01	0.17%	127.93	0.16%	25.08	0.04%	33.02	0.06%
Other comprehensive income								
Items that will not be reclassified to profit or loss								
Remeasurement of the defined benefit plans (loss)/gain	3.32	0.00%	0.13	0.00%	(5.31)	(0.01)%	11.28	0.02%
Income tax relating to these items	(1.16)	0.00%	(0.04)	0.00%	1.86	0.00%	(3.94)	(0.01)%
Other comprehensive income for the period/year, net of tax	2.16	0.00%	0.09	0.00%	(3.45)	(0.01)%	7.34	0.01%
Total comprehensive income for the period/year	154.17	0.17%	128.02	0.16%	21.63	0.03%	40.36	0.07%

NINE MONTHS ENDED DECEMBER 31, 2021

Key Developments

- Due to relaxation in COVID-19 measures and general opening up of the economy, sales of our IMFL products improved during the period.
- Our owned and operated bottling facility located at Bengaluru, Karnataka ceased operations and we did not apply for new license certificate. Accordingly, the licensed capacity of the bottling facility was nil in the nine months ended December 31, 2021.
- Excise duty was reduced in October 2021 in our Part Corporation market of West Bengal.

Revenue

Total income was ₹ 54,525.73 million in the nine months ended December 31, 2021.

Revenue from Operations

Revenue from operations was ₹ 54,449.84 million in the nine months ended December 31, 2021, and comprises revenue from contracts with customer and other operating revenue. Revenue from contracts with customer was ₹ 54,260.30 million in the nine months ended December 31, 2021. Sale of goods (IMFL) was ₹ 53,409.59 million; Sale of goods (ENA) was ₹ 296.28 million; and sale of goods (by-products) was ₹ 554.43 million. Our net revenue from operations (revenue from operations less excise duty) (“**Net Revenue from Operations**”) was ₹19,453.79 million in the nine months ended December 31, 2021.

Other operating revenue consists of royalty, which was ₹ 2.99 million in the nine months ended December 31, 2021; export entitlements, which was ₹ 87.49 million in the nine months ended December 31, 2021; and scrap and other sales, which was ₹ 99.06 million in the nine months ended December 31, 2021.

Other Income

Other income was ₹ 75.89 million in the nine months ended December 31, 2021, consisting of interest income on financial assets measured at amortised cost (interest on deposits with bank) of ₹ 17.01 million; interest income on financial assets measured at amortised cost (interest on loan to related party) of ₹ 3.22 million; interest income on financial assets measured at amortised cost (interest on deposits and advances) of ₹ 0.33 million; liabilities no longer required written back of ₹ 7.75 million; profit on sale of property, plant and equipment, of ₹ 3.61 million; refund of excess statutory dues paid, of ₹ 16.83 million; foreign exchange gain (net) of ₹ 12.51 million; and miscellaneous income, of ₹ 14.63 million.

Expenses

Total expenses (excluding finance cost and depreciation / amortisation) were ₹ 52,939.71 million in the nine months ended December 31, 2021.

Cost of Materials Consumed

Cost of materials consumed was ₹ 12,005.34 million in the nine months ended December 31, 2021, consisting of raw materials consumed of ₹ 6,006.21 million, and packing materials consumed of ₹ 5,999.13 million.

Purchases of stock-in-trade

Purchases of stock-in-trade consists of purchase of IMFL, at our Company operated retail outlet located at Mumbai and was ₹ 36.96 million in the nine months ended December 31, 2021.

Excise duty

Excise duty for the nine months ended December 31, 2021 was ₹ 34,996.04 million.

Employee Benefits Expenses

Employee benefit expenses were ₹ 1,452.58 million in the nine months ended December 31, 2021. Salaries, wages and bonus was ₹ 1,360.52 million in the nine months ended December 31, 2021. Consequently, contribution to provident and other funds was ₹ 78.19 million in the nine months ended December 31, 2021. Staff welfare expenses were ₹ 13.87 million in the nine months ended December 31, 2021.

Other Expenses

Other expenses was ₹ 4,875.83 million in the nine months ended December 31, 2021, primarily due to consumption of stores and spare parts of ₹ 153.16 million, power and fuel of ₹ 400.23 million; contract labour charges of ₹ 457.11 million; repairs others of ₹ 101.73 million; rates and taxes of ₹ 320.27 million, excise levies and escort charges (*i.e.*, charges paid by our Company to relevant state excise department to transport excisable goods to other states) of ₹ 719.23 million; bottling charges of ₹ 332.20 million; travelling expenses of ₹ 95.59 million; legal and professional fees of ₹ 224.69 million; selling and distribution expenses of ₹ 701.99 million; sales and business promotion of ₹ 704.30 million; commission of ₹ 242.19 million; bad debts written off of ₹ 91.60 million; and miscellaneous expenses of ₹ 80.88 million.

As such, total expenses (excluding finance cost and depreciation / amortisation) amounted to ₹ 52,939.71 million in the nine months ended December 31, 2021. Profit before depreciation / amortisation, finance costs and tax amounted to ₹ 1,586.02 million in the nine months ended December 31, 2021.

Finance Cost

Finance cost was ₹ 1,106.75 million in the nine months ended December 31, 2021. Finance cost on financial liabilities measured at amortised cost (term loans) was ₹ 243.71 million in the nine months ended December 31,

2021; financial liabilities measured at amortised cost (on working capital facility from bank) was ₹ 561.67 million in the nine months ended December 31, 2021; financial liabilities measured at amortised cost (on lease liabilities) was ₹ 15.82 million in the nine months ended December 31, 2021; interest on delay in payment of statutory dues was ₹ 153.06 million in the nine months ended December 31, 2021; reimbursement to tie-up units for interest on delayed payments was ₹ 51.88 million in the nine months ended December 31, 2021; interest on loan from related party was ₹ 18.22 million; and interest others was ₹ 62.39 million in the nine months ended December 31, 2021.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were ₹ 433.28 million in the nine months ended December 31, 2021. Depreciation of property, plant and equipment was ₹ 388.32 million in the nine months ended December 31, 2021; depreciation of right to use assets was ₹ 32.43 million in the nine months ended December 31, 2021; and amortisation of intangible assets was ₹ 12.53 million in the nine months ended December 31, 2021.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 45.99 million in the nine months ended December 31, 2021.

Tax Expenses

Current tax was ₹ 9.59 million in the nine months ended December 31, 2021. Deferred tax was ₹ 21.37 million in the nine months ended December 31, 2021. Tax adjustments in respect of earlier years was ₹ (17.99) million in the nine months ended December 31, 2021. Total tax expense amounted to ₹ 12.97 million in the nine months ended December 31, 2021.

Profit after Tax

For the various reasons discussed above, we recorded a profit of ₹ 33.02 million in the nine months ended December 31, 2021.

Other Comprehensive Income for the Period, Net of Tax

Other comprehensive income for the period, net of tax was ₹ 7.34 million in the nine months ended December 31, 2021.

Total Comprehensive Income for the Period

Total comprehensive income for the period was ₹ 40.36 million in the nine months ended December 31, 2021.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 1,586.02 million in the nine months ended December 31, 2021, while EBITDA Margin (EBITDA as a percentage of our Net Revenue from Operations) was 8.15% in the nine months ended December 31, 2021.

FISCAL 2021 COMPARED TO FISCAL 2020

Key Developments

- Our operations were impacted on account of the COVID-19 pandemic. As a result of lockdowns imposed there was lesser sale of our IMFL products.
- Excise duty was reduced in Fiscal 2020 in our Part Corporation market of Telangana.
- We commenced operations at our new bottling facility located at Derabassi, Punjab.

Revenue

Total income decreased by 21.36% from ₹ 81,356.12 million in Fiscal 2020 to ₹ 63,978.12 million in Fiscal 2021, primarily attributable to the following:

Revenue from Operations

Revenue from operations decreased by 21.43% from ₹ 81,190.65 million in Fiscal 2020 to ₹ 63,787.76 million in Fiscal 2021, and comprises revenue from contracts with customer and other operating revenue. Our Net Revenue from Operations decreased by 21.62% from ₹ 29,959.50 million in Fiscal 2020 to ₹ 23,483.67 million in Fiscal 2021.

Revenue from contracts with customers

Revenue from contracts with customers includes sale of goods comprising IMFL, ENA and by-products. Revenue from contracts with customer decreased by 21.52% from ₹ 81,023.83 million in Fiscal 2020 to ₹ 63,586.61 million in Fiscal 2021 on account of lower sales volumes due to the COVID-19 pandemic. Sale of goods (IMFL) decreased by 21.27% from ₹ 80,005.79 million in Fiscal 2020 to ₹ 62,989.33 million in Fiscal 2021. In addition, the reduction in Telangana state excise duty structure in the middle of Fiscal 2020 also impacted our revenue from contract with customers as our total revenue includes EDP, excise duty, government bottling fee, hologram charges amongst others, and will be affected if excise duty levies are altered by the state government.

Sale of goods (ENA) also decreased by 35.22% from ₹ 455.22 million in Fiscal 2020 to ₹ 294.89 million in Fiscal 2021 on account of lower demand of ENA due to the COVID-19 pandemic. Sale of goods (by-products) decreased by 46.27% from ₹ 562.82 million in Fiscal 2020 to ₹ 302.39 million in Fiscal 2021 on account of lower production and sale of ENA during Fiscal 2021.

Other operating revenue

Other operating revenue consists of royalty, export entitlements and scrap sales. Revenues from royalty decreased by 38.93% from ₹ 9.86 million in Fiscal 2020 to ₹ 6.02 million in Fiscal 2021 on account of lower demand of IMFL on account of the COVID-19 pandemic. Export entitlements increased by 103.40% from ₹ 51.12 million in Fiscal 2020 to ₹ 103.98 million in Fiscal 2021 on account of export business significantly improving in Fiscal 2021 compared with Fiscal 2020, which increased export entitlement (duty draw back, GST refund and incentives pursuant to the Merchandise Exports from India Scheme). Scrap and other sales decreased by 13.88% from ₹ 105.84 million in Fiscal 2020 to ₹ 91.15 million in Fiscal 2021 on account of lower production of IMFL and scrap generated.

Other Income

Other income increased by 15.04% from ₹ 165.47 million in Fiscal 2020 to ₹ 190.36 million in Fiscal 2021. The increase was on account of:

- An increase in interest income on financial assets measured at amortised cost (interest on deposits with bank), by 25.64% from ₹ 20.95 million in Fiscal 2020 to ₹ 26.33 million in Fiscal 2021, on account of an increase in fixed deposits placed as lien with statutory authorities;
- An increase in provision no longer required written back, by 142.58% from ₹ 10.11 million in Fiscal 2020 to ₹ 24.53 million in Fiscal 2021 on account of certain provisions which were booked on an estimated basis that were written back during Fiscal 2021; and
- An increase in refund of excess statutory dues paid, by 12.31% from ₹ 41.82 million in Fiscal 2020 to ₹ 46.97 million in Fiscal 2021 on account of refund of VAT dues from relevant authorities.

This was partially offset by a decrease in interest on refund of income tax, from ₹ 8.43 million in Fiscal 2020 to nil in Fiscal 2021 on account of completion of assessment during the year and receipt of income tax refund and interest thereon.

Expenses

Total expenses (excluding finance cost and depreciation / amortisation) decreased by 21.57% from ₹ 78,855.69 million in Fiscal 2020 to ₹ 61,848.16 million in Fiscal 2021. This was primarily due to the decrease in cost of materials consumed, purchases of stock-in-trade, employee benefits expense, and other expenses, partially offset by an increase in changes in inventories of finished goods, stock-in-trade and work-in-progress.

Cost of Materials Consumed

Cost of materials consumed decreased by 24.64% from ₹ 18,451.21 million in Fiscal 2020 to ₹ 13,904.44 million in Fiscal 2021 and the decrease is primarily driven by a decrease in raw materials consumed by 30.40% from ₹ 9,048.77 million in Fiscal 2020 to ₹ 6,297.87 million in Fiscal 2021 and a decrease in packing materials consumed by 19.10% from ₹ 9,402.44 million in Fiscal 2020 to ₹ 7,606.57 million in Fiscal 2021, on account of lower IMFL and ENA sale which resulted in fewer raw materials utilized and lower packing material consumption.

Purchases of stock-in-trade

Purchases of stock-in-trade consists of purchase of IMFL, which decreased by 28.01% from ₹ 51.81 million in Fiscal 2020 to ₹ 37.30 million in Fiscal 2021, on account of lower IMFL sale which resulted in lower purchases of stock-in-trade.

Excise Duty

Excise duty decreased by 21.33% from ₹ 51,231.15 million in Fiscal 2020 to ₹ 40,304.10 million in Fiscal 2021, on account of lower IMFL sales and lower excise duty rate per case in the state of Telangana reduced excise duty expenses in Fiscal 2021.

Employee Benefits Expenses

Employee benefit expenses decreased by 3.54% from ₹ 1,785.64 million in Fiscal 2020 to ₹ 1,722.38 million in Fiscal 2021. This was due to a decrease in salaries, wages and bonus by 4.16% from ₹ 1,671.05 million in Fiscal 2020 to ₹ 1,601.48 million in Fiscal 2021 on account of reduction in variable pay consequent to COVID-19 pandemic and employees being designated as off-roll employees. This was partially offset by an increase in contribution to provident and other funds by 4.24% from ₹ 97.38 million in Fiscal 2020 to ₹ 101.51 million in Fiscal 2021 on account of basic salary increase for employees at particular levels, and staff welfare expenses by 12.66% from ₹ 17.21 million in Fiscal 2020 to ₹ 19.39 million in Fiscal 2021 on account of provision of transportation and other facilities across various offices and facilities following the lifting of lockdowns.

Other Expenses

Other expenses decreased by 21.63%, from ₹ 7,160.25 million in Fiscal 2020 to ₹ 5,611.17 million in Fiscal 2021. This was primarily due to decrease in:

- Excise levies and escort charges, by 24.50% from ₹ 1,211.86 million in Fiscal 2020 to ₹ 914.94 million in Fiscal 2021 on account of excise levies and escort charges are linked to IMFL sales which remain low due to the COVID-19 pandemic;
- Power and fuel, by 25.50% from ₹ 353.93 million in Fiscal 2020 to ₹ 263.67 million in Fiscal 2021 on account of lower IMFL and ENA sale which resulted in reduced operations and lower consumption of power and fuel;
- Bottling charges, by 30.58% from ₹ 582.14 million in Fiscal 2020 to ₹ 404.11 million in Fiscal 2021 on account of lower outsourced production at contract bottling facilities for our IMFL products;
- Selling and distribution expenses, by 24.86% from ₹ 995.07 million in Fiscal 2020 to ₹ 747.74 million in Fiscal 2021 on account of lower IMFL sales that resulted in reduced selling and distribution expenses;
- Sales and business promotion, by 31.12% from ₹ 1,316.18 million in Fiscal 2020 to ₹ 906.63 million in Fiscal 2021 on account of lower IMFL sales and restrictions imposed by various authorities;
- Commission, by 48.08% from ₹ 464.21 million in Fiscal 2020 to ₹ 241.03 million in Fiscal 2021 on account of lower IMFL sales leading to reduced commission expenses;

This was partially offset primarily by the increase in insurance by 63.99% from ₹ 30.45 million in Fiscal 2020 to ₹ 49.94 million in Fiscal 2021 on account of change from regular fire insurance policy to industrial all risk policy along with loss of profit policy for our Rangapur distillery and change in the sum insured value from written down value to fair value of assets, mainly for buildings, which increased the cost of premium, also we took additional insurance cover for employees to insure against COVID-19 related health issues.

As such, total expenses (excluding finance cost and depreciation / amortisation) amounted to ₹ 61,848.16 million in Fiscal 2021 as compared to ₹ 78,855.69 million in Fiscal 2020. Profit before depreciation, finance costs and tax amounted to ₹ 2,129.96 million in Fiscal 2021 as compared to ₹ 2,500.43 million in Fiscal 2020.

Finance Cost

Finance costs decreased by 21.47% from ₹ 1,802.07 million in Fiscal 2020 to ₹ 1,415.10 million in Fiscal 2021. This decrease is primarily attributable due to a decrease in financial liabilities measured at amortised cost (term loans) by 26.51% from ₹ 459.39 million in Fiscal 2020 to ₹ 337.58 million in Fiscal 2021 on account of reduction in average cost of borrowing and repayment of terms loans and financial liabilities measured at amortised cost (on working capital facility from bank) by 28.11% from ₹ 1,105.05 million in Fiscal 2020 to ₹ 794.39 million in Fiscal 2021 on account of reduction in the average cost borrowing and lower working capital borrowing due to reduction of receivables.

Depreciation and Amortization Expense

Depreciation and amortization expense decreased by 15.39% from ₹ 694.23 million in Fiscal 2020 to ₹ 587.41 million in Fiscal 2021, primarily due to a decrease in depreciation of property, plant and equipment by 17.54% from ₹ 632.69 million in Fiscal 2020 to ₹ 521.70 million in Fiscal 2021; and a decrease in amortisation of intangible assets by 13.53% from ₹ 18.76 million in Fiscal 2020 to ₹ 16.22 million in Fiscal 2021. This was partially offset by an increase in depreciation of right to use assets, by 15.68% from ₹ 42.78 million in Fiscal 2020 to ₹ 49.49 million in Fiscal 2021 on account of entering into new lease agreements during year.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 127.45 million in Fiscal 2021 and ₹ 4.13 million in Fiscal 2020.

Net Tax Expense/(Credit)

Tax expense/(credit), net increased by 182.69% from ₹ (123.80) million in Fiscal 2020 to ₹ 102.37 million in Fiscal 2021. Current tax increased from nil in Fiscal 2020 to ₹ 45.51 million in Fiscal 2021 on account of increase of profit in Fiscal 2021 and creation of deferred tax assets on certain allowable expenditure in Fiscal 2020 which is not available in Fiscal 2021 and utilisation of MAT credit entitlement in Fiscal 2021. Deferred tax increased by 157.36% from ₹ (119.88) million in Fiscal 2020 to ₹ 68.76 million in Fiscal 2021 on account of creation of deferred tax assets on certain allowable expenditure in Fiscal 2020 which was not available in Fiscal 2021. This was partially offset by a decrease in tax adjustments in respect of earlier years, by 203.57% from ₹ (3.92) million in Fiscal 2020 to ₹ (11.90) million in Fiscal 2021 on account of adjustment of tax provision on filing of corporate tax return.

Profit after Tax

For the various reasons discussed above, we recorded a profit for the year of ₹ 25.08 million in Fiscal 2021 compared to ₹ 127.93 million in Fiscal 2020.

Other Comprehensive Income for the Year, Net of Tax

Other comprehensive income was ₹ (3.45) million in Fiscal 2021 while other comprehensive income was ₹ 0.09 million in Fiscal 2020.

Total Comprehensive Income for the year, net of tax

Total comprehensive income for the year was ₹ 21.63 million in Fiscal 2021 compared to ₹ 128.02 million in Fiscal 2020.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 2,129.96 million in Fiscal 2021 compared to ₹ 2,500.43 million in Fiscal 2020, while EBITDA Margin (EBITDA as a percentage of our Net Revenue from Operations) was 9.07% in Fiscal 2021 compared to 8.35% in Fiscal 2020.

FISCAL 2020 COMPARED TO FISCAL 2019

Key Developments

- Excise duty reduced in our Part Corporation market of Telangana led to a decline in total revenue from operations, which also resulted in reduction in excise duty expense and investment in working capital.
- The National Policy on Biofuels, 2018 was introduced by Central Government which impacted the input price of ENA.
- Our operations were also impacted during the months of March and April 2020 on account of national lockdowns declared on account of the COVID-19 pandemic which impacted our supply chain.
- We ceased production at our owned bottling facility located at Bengaluru, Karnataka.

Revenue

Total income decreased by 9.07% from ₹ 89,468.57 million in Fiscal 2019 to ₹ 81,356.12 million in Fiscal 2020, primarily attributable to the following:

Revenue from Operations

Revenue from operations decreased by 9.13% from ₹ 89,345.97 million in Fiscal 2019 to ₹ 81,190.65 million in Fiscal 2020, and comprises revenue from contracts with customer and other operating revenue. Our Net Revenue from Operations decreased by 2.32% from ₹ 30,671.42 million in Fiscal 2019 to ₹ 29,959.50 million in Fiscal 2020.

Revenue from contracts with customer

Revenue from contracts with customer decreased by 9.10% from ₹ 89,131.90 million in Fiscal 2019 to ₹ 81,023.83 million in Fiscal 2020 on account decrease in sale of goods (IMFL) from ₹ 88,416.29 million in Fiscal 2019 to ₹ 80,005.79 million in Fiscal 2020 on account of lower domestic sales due to national lockdowns imposed and as well as lower exports in the last quarter of Fiscal 2020 on account of the COVID-19 pandemic and a reduction in excise duty rates in Telangana. Sale of goods (by-products) increased by 24.26% from ₹ 452.95 million in Fiscal 2019 to ₹ 562.82 million in Fiscal 2020. Sale of goods (ENA) increased by 73.31% from ₹ 262.66 million in Fiscal 2019 to ₹ 455.22 million in Fiscal 2020 on account of higher realisation on ENA sales.

Other operating revenue

Other operating revenue consists of export entitlements, which decreased by 44.38% from ₹ 91.91 million in Fiscal 2019 to ₹ 51.12 million in Fiscal 2020 on account of lower IMFL export sales due to the COVID-19 pandemic. Scrap and other sales decreased by 7.12% from ₹ 113.95 million in Fiscal 2019 to ₹ 105.84 million in Fiscal 2020. This was offset by receipt of royalty, which increased by 20.06% from ₹ 8.21 million in Fiscal 2019 to ₹ 9.86 million in Fiscal 2020 on account of increase in royalty income under our franchise agreements for soda and packaged drinking water.

Other Income

Other income increased by 34.97% from ₹ 122.60 million in Fiscal 2019 to ₹ 165.47 million in Fiscal 2020. The increase was on account of an increase in refund of excess statutory dues paid, from nil in Fiscal 2019 to ₹ 41.82 million in Fiscal 2020 on account of refund of VAT dues by the statutory authorities.

This is partially offset by a decrease in profit on sale of investment, from ₹ 14.65 million in Fiscal 2019 to ₹ 0.13 million in Fiscal 2020 on account of sale of investment in associates; and a decrease in liabilities no longer required written back, from ₹ 62.89 million in Fiscal 2019 to ₹ 59.00 million in Fiscal 2020 on account of certain liabilities which was booked on estimated basis was written back during the fiscal year.

Expenses

Total expenses (excluding finance cost and depreciation / amortisation) decreased by 8.62% from ₹ 86,298.88 million in Fiscal 2019 to ₹ 78,855.69 million in Fiscal 2020. This was primarily due to the decrease in other expenses, partially offset by an increase in cost of materials consumed, purchases of stock-in-trade, changes in inventories of finished goods, stock-in-trade and work-in-progress and employee benefits expense.

Cost of Materials Consumed

Cost of materials consumed increased marginally by 0.46% from ₹ 18,365.84 million in Fiscal 2019 to ₹ 18,451.21 million in Fiscal 2020 and the increase is primarily driven by an increase in raw materials consumed by 10.42% from ₹ 8,194.52 million in Fiscal 2019 to ₹ 9,048.77 million in Fiscal 2020, on account of the implementation of the National Policy on Biofuels, 2018 which came into force in November 2019. The implementation of the National Policy on Biofuels, 2018 led to sourcing of ethanol from grain distilleries by the oil marketing companies. This disrupted the demand supply equilibrium for IMFL manufacturers, which resulted in higher prices of potable ENA. This was partially offset by a decrease in packing materials consumed by 7.56% from ₹ 10,171.32 million in Fiscal 2019 to ₹ 9,402.44 million in Fiscal 2020, on account of lower IMFL sale due to the COVID-19 pandemic and no increase in packing material cost.

Purchases of stock-in-trade

Purchases of stock-in-trade consists of purchase of IMFL, which increased by 4.73% from ₹ 49.47 million in Fiscal 2019 to ₹ 51.81 million in Fiscal 2020, purchases of stock-in-trade are related to company owned and operated retail outlet. This involves trading in all brands, including non-company owned brands and is a function of demand and supply at the outlet. This is partially offset by other purchases, which decreased from ₹ 1.80 million in Fiscal 2019 to nil in Fiscal 2020.

Excise Duty

Excise duty decreased by 12.69% from ₹ 58,674.56 million in Fiscal 2019 to ₹ 51,231.15 million in Fiscal 2020, on account of lower IMFL sales and lower excise duty rate per case in the state of Telangana reduced excise duty expenses.

Employee Benefits Expenses

Employee benefit expenses increased by 1.20% from ₹ 1,764.53 million in Fiscal 2019 to ₹ 1,785.64 million in Fiscal 2020. This was due to an increase in salaries, wages and bonus by 2.26% from ₹ 1,634.18 million in Fiscal 2019 to ₹ 1,671.05 million in Fiscal 2020 on account of reduction in variable pay consequent to COVID-19 pandemic and employees being designated as off-roll employees. There was a corresponding increase in contribution to provident and other funds by 2.04% from ₹ 95.43 million in Fiscal 2019 to ₹ 97.38 million in Fiscal 2020 on account of basic salary increase for employees at particular levels. This is partially offset by a decrease in staff welfare expenses by 50.72% from ₹ 34.92 million in Fiscal 2019 to ₹ 17.21 million in Fiscal 2020 on account of implementation of work-from-home in the last quarter of Fiscal 2020 and national lockdown imposed on account of the COVID-19 pandemic.

Other Expenses

Other expenses decreased by 7.82%, from ₹ 7,767.92 million in Fiscal 2019 to ₹ 7,160.25 million in Fiscal 2020. This was primarily due to decrease in:

- Bottling charges, by 10.55% from ₹ 650.78 million in Fiscal 2019 to ₹ 582.14 million in Fiscal 2020 on account of lower outsourced production at our contract bottling units for our IMFL products;
- Travelling expenses, by 17.42% from ₹ 223.09 million in Fiscal 2019 to ₹ 184.22 million in Fiscal 2020 on account of travel restrictions imposed by various authorities which reduced business travel;
- Selling and distribution expenses, by 11.95% from ₹ 1,130.11 million in Fiscal 2019 to ₹ 995.07 million in Fiscal 2020 on account of lower IMFL sales reduced selling and distribution cost; and
- Sales and business promotion, by 21.90% from ₹ 1,685.30 million in Fiscal 2019 to ₹ 1,316.18 million in Fiscal 2020 on account of lower IMFL sales and restrictions imposed by various authorities which reduced sales and business promotion cost;

This was partially offset primarily by the increase in rates and taxes by 6.72% from ₹ 416.99 million in Fiscal 2019 to ₹ 445.01 million in Fiscal 2020 on account of increase in label registration fees and licence fees during Fiscal year 2020 as the per excise policy for relevant states.

As such, total expenses (excluding finance cost and depreciation / amortisation) amounted to ₹ 78,855.69 million in Fiscal 2020 as compared to ₹ 86,298.88 million in Fiscal 2019. Profit before depreciation, finance costs and

tax amounted to ₹ 2,500.43 million in Fiscal 2020 as compared to ₹ 3,169.69 million in Fiscal 2019.

Finance Cost

Finance costs decreased by 3.96% from ₹ 1,876.29 million in Fiscal 2019 to ₹ 1,802.07 million in Fiscal 2020. This decrease is primarily attributable due to a decrease in financial liabilities measured at amortised cost (term loans) by 9.30% from ₹ 506.49 million in Fiscal 2019 to ₹ 459.39 million in Fiscal 2020 on account of reduction in average cost of borrowing and repayment of terms loans and financial liabilities measured at amortised cost (on working capacity facility) by 7.97% from ₹ 1,200.77 million in Fiscal 2019 to ₹ 1,105.05 million in Fiscal 2020 on account of reduction in the average cost borrowing and lower working capital borrowing due to reduction of receivables.

Depreciation and Amortization Expense

Depreciation and amortization expense decreased by 10.57% from ₹ 776.26 million in Fiscal 2019 to ₹ 694.23 million in Fiscal 2020, primarily due to a decrease in depreciation of property, plant and equipment by 11.38% from ₹ 713.97 million in Fiscal 2019 to ₹ 632.69 million in Fiscal 2020; and a decrease in amortisation of intangible assets by 48.38% from ₹ 36.34 million in Fiscal 2019 to ₹ 18.76 million in Fiscal 2020. This was partially offset by an increase in depreciation of right to use assets, by 64.86% from ₹ 25.95 million in Fiscal 2019 to ₹ 42.78 million in Fiscal 2020 on account of entering into new lease agreements during Fiscal 2020.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 4.13 million in Fiscal 2020 and ₹ 341.67 million in Fiscal 2019.

Net Tax Expense/(Credit)

Tax expense/(credit), net decreased by 165.27% from ₹ 189.66 million in Fiscal 2019 to ₹ (123.80) million in Fiscal 2020. Current tax decreased from ₹ 86.14 million in Fiscal 2019 to nil in Fiscal 2020 on account of decrease of profit in Fiscal 2020 and creation of deferred tax assets on certain allowable expenditure in Fiscal 2020 which was not available in Fiscal 2019. Deferred tax decreased by 221.92% from ₹ 98.33 million in Fiscal 2019 to ₹ (119.88) million in Fiscal 2020 on account of creation of deferred tax assets on certain allowable expenditure in Fiscal 2020 which is not available in Fiscal 2019; and tax adjustments in respect of earlier years, by 175.53% from ₹ 5.19 million in Fiscal 2019 to ₹ (3.92) million in Fiscal 2020 on account of adjustment of tax provision on filing of corporate tax return.

Profit after Tax

For the various reasons discussed above, we recorded a profit for the year of ₹ 127.93 million in Fiscal 2020 compared to ₹ 152.01 million in Fiscal 2019.

Other Comprehensive Income for the Year, Net of Tax

Other comprehensive income was ₹ 0.09 million in Fiscal 2020 while other comprehensive income was ₹ 2.16 million in Fiscal 2019.

Total Comprehensive Income for the Year, Net of Tax

Total comprehensive income for the year was ₹ 128.02 million in Fiscal 2020 compared to ₹ 154.17 million in Fiscal 2019.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 2,500.43 million in Fiscal 2020 compared to ₹ 3,169.69 million in Fiscal 2019, while EBITDA Margin (EBITDA as a percentage of our Net Revenue from Operations) was 8.35% in Fiscal 2020 compared to 10.33% in Fiscal 2019.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through debt financing and funds generated from our operations. From time to time, we have obtained loan facilities to finance our short term working capital requirements.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in the periods indicated:

Particulars	Fiscal			Nine months ended December 31, 2021
	2019	2020	2021	
	(₹ million)			
Net cash generated from operating activities	1,911.08	5,945.31	2,466.18	954.10
Net cash used in investing activities	(1,606.75)	(449.33)	(593.67)	(17.04)
Net cash used in financing activities	(239.31)	(4,962.58)	(2,160.44)	(1,412.05)
Cash and cash equivalents at the end of the period / year	189.42	722.82	434.89	170.47

Operating Activities

Nine months ended December 31, 2021

Net cash from operating activities was ₹ 954.10 million. Profit before tax was ₹ 45.99 million in the nine months ended December 31, 2021. Primary adjustments consisted of depreciation and amortisation of ₹ 433.28 million; bad debts and advances written off of ₹ 91.60 million; and finance costs of ₹ 1,106.75 million. Operating profit before working capital changes was ₹ 1,697.90 million in the nine months ended December 31, 2021. The main working capital adjustments in the nine months ended December 31, 2021, included increase in inventories of ₹ 1,057.45 million; increase in trade receivables of ₹ 1,561.08 million; decrease in financial assets and other assets of ₹ 201.66 million; and increase in liabilities and provisions of ₹ 1,701.34 million. Direct taxes paid (net) was ₹ 28.27 million.

Fiscal 2021

Net cash from operating activities was ₹ 2,466.18 million. Net profit before tax was ₹ 127.45 million in Fiscal 2021. Primary adjustments consisted of depreciation and amortisation of ₹ 587.41 million; provision for doubtful debts of ₹ 114.42 million; and finance cost of ₹ 1,415.10 million. Operating profit before working capital changes was ₹ 2,147.17 million in Fiscal 2021. The main working capital adjustments in Fiscal 2021 included an decrease in inventories of ₹ 224.24 million; decrease in trade receivables of ₹ 583.27 million; increase in financial assets and other assets of ₹ 230.94 million; and decrease in liabilities and provisions of ₹ 233.31 million. Direct taxes paid (net) was ₹ 24.25 million.

Fiscal 2020

Net cash from operating activities was ₹ 5,945.31 million. Net profit before tax was ₹ 4.13 million in Fiscal 2020. Primary adjustments consisted of depreciation and amortisation of ₹ 694.23 million; finance costs of ₹ 1,802.07 million; and liabilities no longer required written back of ₹ 59.00 million. Operating profit before working capital changes was ₹ 2,528.80 million in Fiscal 2020. The main working capital adjustments in Fiscal 2020, included decrease in inventories of ₹ 448.31 million; decrease in trade receivables of ₹ 2,009.29 million; decrease in financial assets and other assets of ₹ 238.22 million; and increase in liabilities and provisions of ₹ 755.89 million. Direct taxes paid (net) was ₹ 35.20 million.

Fiscal 2019

Net cash from operating activities was ₹ 1,911.08 million. Net profit before tax was ₹ 341.67 million in Fiscal 2019. Primary adjustments consisted of depreciation and amortisation of ₹ 776.26 million; finance costs of ₹ 1,876.29 million, legal and professional fees (capital raising) (exceptional item) of ₹ 176.81 million and liabilities no longer required written back of ₹ 62.89 million. Operating profit before working capital changes was ₹ 3,182.42 million in Fiscal 2019. The main working capital adjustments in Fiscal 2019 included increase in inventories of ₹ 1,142.75 million; increase in trade receivables of ₹ 2,163.86 million; decrease in financial assets and other assets of ₹ 127.09 million; and increase in liabilities and provisions of ₹ 1,969.70 million. Direct taxes paid (net) was ₹ 61.52 million.

Investing Activities

Nine months ended December 31, 2021

Net cash used in investing activities was ₹ 17.04 million in the nine months ended December 31, 2021, primarily on account of investment in compulsorily convertible debentures of ₹ 241.01 million and purchase of plant, property and equipment of ₹ 514.21 million, which was marginally offset by refund of capital advance for purchase of land of ₹ 750.00 million.

Fiscal 2021

Net cash used in investing activities was ₹ 593.67 million in Fiscal 2021, primarily on account of investment in compulsorily convertible debentures of ₹ 221.04 million, purchase of plant, property and equipment of ₹ 356.27 million, and investment in bank fixed deposits (net) of ₹ 109.18 million. This was partially offset by proceeds from sale of investment of ₹ 53.00 million and interest received of ₹ 30.51 million.

Fiscal 2020

Net cash used in investing activities was ₹ 449.33 million in Fiscal 2020, primarily on account of purchase of property, plant and equipment of ₹ 468.36 million, which was marginally offset by interest received of ₹ 23.87 million.

Fiscal 2019

Net cash used in investing activities was ₹ 1,606.75 million in Fiscal 2019, primarily on account of purchase of property, plant and equipment of ₹ 1,583.04 million and investments in bank fixed deposits (net) of ₹ 57.38 million, which was marginally offset by interest received of ₹ 19.93 million.

Financing Activities

Nine months ended December 31, 2021

Net cash used in financing activities was ₹ 1,412.05 million in the nine months ended December 31, 2021, primarily on account of repayment of long term borrowings of ₹ 796.17 million, repayment of short term borrowings (net) of ₹ 310.40 million, finance costs paid of ₹ 1,124.80 million, and redemption of preference shares of ₹ 750.00 million, which was marginally offset by proceeds from long term borrowings of ₹ 601.00 million and issue of compulsory convertible debentures of ₹ 1,000.00 million.

Fiscal 2021

Net cash used in financing activities was ₹ 2,160.44 million in Fiscal 2021, primarily on account of repayment of long term borrowings of ₹ 746.45 million, repayment of short term borrowings (net) of ₹ 499.91 million, finance costs paid of ₹ 1,427.21 million, which was marginally offset by proceeds from long term borrowings of ₹ 505.38 million and deposits with bank towards margin money against borrowings (net) of ₹ 79.50 million.

Fiscal 2020

Net cash used in financing activities was ₹ 4,962.58 million in Fiscal 2020, primarily on account of repayment of long term borrowings of ₹ 1,703.84 million, repayment of short term borrowings (net) of ₹ 2,503.15 million, deposits with bank towards margin money against borrowings (net) of ₹ 118.14 million, finance costs paid of ₹ 1,748.92 million, which was marginally offset by proceeds from long term borrowings of ₹ 1,132.81 million.

Fiscal 2019

Net cash used in financing activities were ₹ 239.31 million in Fiscal 2019, primarily on account of repayment of long term borrowings of ₹ 2,708.59 million, finance costs paid of ₹ 1,783.43 million, legal and professional fees (capital raising) (exceptional item) of ₹ 176.81 million and repayment of lease obligations of ₹ 42.94 million, which was marginally offset by proceeds from long term borrowings of ₹ 1,536.47 million, proceeds of short term borrowings (net) of ₹ 2,185.99 million, and share application money of ₹ 750.00 million.

INDEBTEDNESS

As of December 31, 2021, we had total borrowings (consisting of non-current borrowings and current borrowings) of ₹ 9,268.90 million. Our total debt/ equity ratio was 2.28 as of December 31, 2021.

The following table sets forth certain information relating to our outstanding indebtedness as of December 31, 2021, and our repayment obligations in the periods indicated:

Particulars	As of December 31, 2021			
	Payment due by period			
	(₹ million)			
	Up to 1 year	1 – 5 years	More than 5 years	Total
Borrowings (including current maturities)	7,178.11	1,623.86	466.93	9,268.90
Lease liabilities	19.46	117.68	46.48	183.62
Trade payables	3,445.05	-	-	3,445.05
Other financial liabilities	3,331.20	-	-	3,331.20
Total	13,973.82	1,741.54	513.41	16,228.77

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2021, contingent liabilities that have not been accounted for in our financial statements were as follows:

S. No.	Particulars	As at December 31, 2021
		(₹ million)
1.	Provident Fund matter (Refer note (a) below)	Not ascertainable
2.	Transport pass fees claimed by excise authorities (Refer note (b) below)	87.31
3.	Water charges claim by MIDC, Aurangabad (Refer note (c) below)	17.40
4.	Additional license fees on account of restructuring of the Company, levied by, the Maharashtra State Excise Department, Aurangabad (Refer note (d) below)	3.28
5.	Differential Octroi Duty on Extra Neutral Alcohol / Rectified Spirit by Aurangabad Municipal Corporation (Refer note (e) below)	15.80
6.	Demand notice from the Commissioner of Central Excise, Customs and Service Tax, Aurangabad, towards service tax on reverse charge basis on expenditure incurred in foreign currency on sales promotion, travelling and other expenditure (Refer note (f) below)	53.81
7.	VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties (Refer note (g) below)	324.89
8.	Income tax matters (Refer note (h) and (i) below)	33.31
9.	VAT Liability on captive consumption of ENA (Refer note (j) below)	10.76
10.	Excise demand relating to excess transit wastages for ENA supplied by Contract Bottling unit (Refer note (k) below)	28.60
11.	Show cause notice from Canteen Stores Department (CSD) on account of differential trade rate relating to the period from October 2014 to December 2020 (Refer note (l) below)	85.77
12.	The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2015-2016. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. (Refer note (m) below)	60.27
13.	The Group has an unpaid demand arising out of assessment under MVAT Act, 2002 for financial year 2016-2017. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. (Refer note (n) below)	58.26
14.	Rajasthan VAT department has demanded sales Tax along with interest and penalty from a contract bottling unit on ENA produced by them to be used as intermediary product for the manufacturer of IMFL. (Refer note (o) below)	10.75
15.	Demand notice by the Government of Andhra Pradesh (Refer note (p) below)	272.50
16.	Interest liability on Micro, Small and Medium enterprise overdue (Refer note (q) below)	Not ascertainable
17.	VAT / GST on ENA procured by the company in Uttar Pradesh (Refer note (r) below)	14.29
18.	A contract bottling unit had been issued notice of demand under the Assam Entry Tax Act	13.12

S. No.	Particulars	As at December 31, 2021
		(₹ million)
	by the Government of Assam (Refer note (s) below)	
19.	The Company was receiving taxable invoices from its CBUs at the rate of 18% on the bottling charges on manufacturing of IMFL for the Company (brand owner). However, based on the notification dated October 13, 2017, No .31/2017 - Central Tax (rate), the Company has asked its bottlers to charge GST on bottling charge at 5% (Refer note (t) below)	19.47
20.	Rectification order under MVAT (Refer note (u) below)	22.11
21.	Group has received summon notice dated 11 August 2020 from the Director General of GST Intelligence, Hyderabad on applicability of GST on Distillery Wet Grain Soluble (DWGS) and Distillery Dry Grain Soluble (DDGS). (Refer note (v) below)	Not ascertainable
22.	Income Tax matter (Refer note (w) below)	1.73
TOTAL		1,133.43

Notes:

- (a) Contingent liability relating to determination of provident fund liability, based on a recent Supreme Court judgement, is not determinable at present, due to uncertainty on the period of impact of the judgement in absence of further clarification relating to applicability. The Group will continue to assess any further developments in this matter for their implications on financial statements, if any, which, based on the number of employees, is not expected to be significant.
- (b) Transport pass fee claimed by excise authorities at the rate of ₹ 3 per bulk litre (“BL”) up to August 25, 2009 and at the rate of ₹ 1.50 per BL from August 26, 2009 till May 18, 2011 on Extra Neutral Spirit (“ENA”) purchased, aggregating to ₹ 82.20 million (March 31, 2021: ₹ 82.20 million, March 31, 2020: ₹ 82.20 million, and March 31, 2019: ₹ 82.20 million) and transport pass fee claimed by excise authorities at the rate of ₹ 1 per BL from April 1, 2010 to May 18, 2011 on rectified spirits purchased aggregating to ₹ 4.89 million (March 31, 2021: ₹ 4.89 million, March 31, 2020: ₹ 4.89 million, and March 31, 2019: ₹ 4.89 million), transport pass fee claimed by excise authorities at the rate of ₹ 3 per BL from June 1, 2009 to May 18, 2011 on Malt purchased aggregating to ₹ 0.22 million (March 31, 2021: ₹ 0.22 million, March 31, 2020: ₹ 0.22 million, and March 31, 2019: ₹ 0.22 million) including for one of the contract bottling units.
- The Group has paid ₹ 30.37 million (March 31, 2021: ₹ 30.37 million, March 31, 2020: ₹ 30.37 million and March 31, 2019: ₹ 14.00 million) under protest which is shown under balance with statutory authorities (non-current).
 - The Honourable High Court of Bombay has vide its order dated May 6, 2011 upheld the Company’s appeal and allowed the Group’s petition with the direction that the amount paid be refunded along with the interest at the rate of 9% per annum, within 10 weeks from the date of receipt of application for refund. As directed, the Group has filed an application for claim of refund before the customs and excise authorities. The Group has also claimed ₹ 16.37 million (including interest of ₹ 2.99 million) on account of transport pass fees charged by suppliers.
 - The Customs and excise department of Maharashtra has filed a Special leave petition before the Honourable Supreme Court against the above order. The Supreme Court has directed the registrar to issue notice to all concerned and affected parties pending admission of petition.
 - Subsequently, the registrar has issued notice to all the concerned and affected parties for admission of petition and accordingly, the Group has filed its response to this notice. The matter has not come up for hearing.
- (c) Increased water charges (including delayed payment charges billed by MIDC from time to time for the period from November 2001 to March 2021, disputed by the Group, aggregating to ₹ 17.40 million (March 31, 2021: ₹ 16.38 million, March 31, 2020: ₹ 15.08 million, and March 31, 2019: ₹ 14.24 million).
- In the above matter, the High Court of Bombay, Aurangabad Bench did not allow the stay petition filed by the Group. However, the High Court of Bombay, Aurangabad Bench has agreed to allow for payment of only principal amount to MIDC towards outstanding water charges and has granted a stay on levy of interest and penalty till the disposal of final appeal.
 - Based on the above, the Group has paid, till December 31, 2021, ₹ 14.00 million (March 31, 2021: ₹ 12.98 million, March 31, 2020: ₹ 11.68 million, and March 31, 2019: ₹ 10.84 million) under protest which is shown under balance with statutory authorities.
 - Few of the IMFL manufacturers have filed a Special Leave Petition before the Supreme Court challenging the order of the Aurangabad Bench of the High Court of Bombay. Since the cause of action and reliefs claimed are identical, the outcome of this case will hold good for the Group as well.
- (d) The Maharashtra State Excise Department, Aurangabad has raised a demand of ₹ 3.28 million (March 31, 2021: ₹ 3.28 million, March 31, 2020: ₹ 3.28 million, and March 31, 2019: ₹ 3.28 million) towards additional license fee on the Group

as a consequence of the change of name arising due to restructuring of the Group. The Group has challenged the said demand and filed Writ Petition before the High Court of Bombay, Aurangabad Bench. The said matter has not come up for hearing yet. The demand of ₹ 3.28 million (March 31, 2021: ₹ 3.28 million, March 31, 2020: ₹ 3.28 million, and March 31, 2019: ₹ 3.28 million), which was paid by the Group under protest, is shown under balance with statutory authorities.

- (e) The Aurangabad Municipal Corporation (“AMC”) had recovered differential Octroi Duty on Extra Neutral Alcohol / Rectified Spirit for the period from December 1991 to June 1997 on the basis of a High Court judgment on similar facts in another liquor company case. This judgment had been reversed by the Honourable Supreme Court of India in another case in which interest at the rate of 6 % per annum was allowed. The Group has entered into an agreement with AMC on March 12, 1993 by which both the parties had agreed that judgment passed shall be binding on both the parties.
- The Group had filed a suit for recovery in the Honourable Court of Civil Judge, (Senior. Division) at Aurangabad. As per the order dated October 16, 2006 of the Court, the Group is entitled to get an amount of ₹ 15.80 million (March 31, 2021: ₹ 15.80 million, March 31, 2020: ₹ 15.80 million, and March 31, 2019: ₹ 15.80 million), with interest thereon at the rate of 6% per annum from the date of suit till the date of payment.
 - The Municipal Corporation has filed an appeal against this order, which has been disposed-off by the Division Bench of the High Court of Bombay, Aurangabad Bench vide their order dated February 12, 2007 granting the stay of execution of decree passed by the Trial Court subject to deposit of ₹ 22.00 million in 11 instalments commencing from April 2007. Further, the appeal came up for hearing on August 29, 2007 before the High Court of Bombay, Aurangabad Bench and an order was passed allowing the Group to withdraw the aforesaid amount and so far the Group has received ₹ 22.00 million up to March 31, 2009. The appeal filed by AMC is pending before the High Court of Bombay, Aurangabad Bench.
- (f) In an earlier year, the Group had received demand notice from the Commissioner of Central Excise, Customs and Service Tax, Aurangabad for the Fiscal Years 2011-12 to 2014-15 towards service tax on reverse charge basis on expenditure incurred in foreign currency on sales promotion, travelling and other expenditure. Total demand raised is ₹ 53.81 million (March 31, 2021: ₹ 53.81 million, March 31, 2020: ₹ 53.81 million, and March 31, 2019: ₹ 53.81 million) (including penalty of ₹ 26.83 million, late fees of ₹ 0.16 million but excluding interest). The Group has paid ₹ 2.01 million (March 31, 2021: ₹ 2.01 million, March 31, 2020: ₹ 2.01 million, and March 31, 2019: ₹ 2.01 million) under protest against the said demand towards mandatory deposit for admission of appeals, which is shown under balance with statutory authorities. The Group has filed an appeal before Central Excise and Sales Tax Appellate Tribunal (CESTAT), Mumbai.
- (g) The Group has an unpaid demand of ₹ 324.89 million (March 31, 2021: ₹ 324.89 million, March 31, 2020: ₹ 324.89 million, and March 31, 2019: ₹ 324.89 million) arising out of assessment under the Maharashtra Value Added Tax Act, 2002 (“MVAT 2002”) for Fiscal Year 2011-12.
- The said demand has arisen due to alleged VAT liability on amount of business surplus received by the Group from tie-up unit arrangements with third parties.
 - The Group has received an order from the Joint Commissioner of Sales Tax (Appeals) granting a stay on recovery of said demand pending decision by the Honourable High Court of Bombay in the case of M/s Diageo India Pvt Ltd v/s State of Maharashtra.
 - In view of above, no further provision is considered necessary in the books.
 - The Group has filed an appeal with Maharashtra Sales Tax Tribunal and paid ₹ 0.99 million (March 31, 2021: ₹ 0.99 million, March 31, 2020: ₹ 0.99 million, and March 31, 2019: ₹ 0.99 million) under protest the said demand, which is shown under balance with statutory authorities.
- (h) Income tax matter is in dispute before CIT-Appeal relating to Assessment Year (“AY”) 2014-15 for ₹ 33.31 million, (March 31, 2021: ₹ 33.31 million, March 31, 2020: ₹ 33.31 million, and March 31, 2019: ₹ 27.66 million). Against the above said demand, the Group has deposited under protest ₹ 5.51 million (March 31, 2021: ₹ 5.51 million, March 31, 2020: ₹ 5.51 million, and March 31, 2019: ₹ 5.51 million) which is disclosed under Income tax (current-tax) assets (net). The balance demand is adjusted by the department with refundable balance of AY 2011-2012 as per intimation dated April 20, 2017.
- (i) Income tax matter relating to AY 2010-11 and 2011-12 which was in dispute before the Hon’ble Bombay High Court has been disposed off in favour of the Company. In the earlier year the said matter was appealed against the ITAT Mumbai by the Income Tax Department amounting to ₹ Nil (March 31, 2021: ₹ 50.58 million, March 31, 2020: ₹ 50.58 million, March 31, 2019: ₹ 50.58 million).
- (j) One of the Group’s contract bottling units (“CBU”) at Rajasthan had received notice of demand for the AY 2007-08 to 2009-10 amounting to ₹ 9.18 million (March 31, 2021: ₹ 9.18 million, March 31, 2020: ₹ 9.18 million, and March 31,

2019: ₹ 9.18 million) of VAT and interest thereon for ₹ 1.58 million (March 31, 2021: ₹ 1.58 million, March 31, 2020: ₹ 1.58 million, and March 31, 2019: ₹ 1.58 million) aggregating to ₹ 10.76 million (March 31, 2021: ₹ 10.76 million, March 31, 2020: ₹ 10.76 million, and March 31, 2019: ₹ 10.76 million) from the Commercial Tax Officer, Government of Rajasthan on alleged VAT payable on captive consumption of ENA for the manufacturing of the Group's brands and deemed sale of ENA to the brand owner. The said demand was upheld by the Honourable Rajasthan High Court vide their order dated July 20, 2017. Against the said demand, the CBU has filed a Special Leave Petition before the Honourable Supreme Court. Vide order dated August 28, 2017, the Honourable Supreme Court has granted stay in the matter in respect of recovery of any demand or interest. In the event the matter is decided against the CBU, the Group is liable to compensate the CBU for the tax demand including interest.

- (k) In an earlier year, the Group has received excise demand of ₹ 28.60 million (March 31, 2021: ₹ 28.60 million, March 31, 2020: ₹ 28.60 million, and March 31, 2019: ₹ 28.60 million) relating to excess transit wastages for ENA supplied by a CBU. A writ petition was filed with the Honourable High Court by the CBU and is pending for disposal. An amount was deposited under protest, of ₹ 7.15 million (March 31, 2021: ₹ 7.15 million, March 31, 2020: ₹ 7.15 million, and March 31, 2019: ₹ 7.15 million) is shown under other financial assets.
- The Madhya Pradesh High Court ordered that, on furnishing an adequate surety to the satisfaction of Excise Commissioner, the recovery of penalty shall remain stayed until next date of hearing. The matter has not come up for hearing yet and the same is under progress.
- (l) The Company had also received a show cause notice dated March 22, 2021 from its customer – Canteen Stores Department (CSD) for ₹ 85.77 million (March 31, 2021 ₹ 85.77 million, March 31, 2020 NIL, March 31, 2019 NIL) on account of differential trade rate relating to the period from October 2014 to December 2020, which has been disclosed as contingent liability only since the nine months period ended December 31, 2021. The Company has submitted the explanation and necessary documents demanded by CSD in response to the show cause notice. The Company is awaiting further communication from the CSD.
- (m) The Group has an unpaid demand of ₹ 60.27 million (March 31, 2021: ₹ 60.27 million, March 31, 2020: ₹ NIL, March 31, 2019: ₹ NIL) arising out of assessment under MVAT Act, 2002 for financial year 2015-2016. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. The Group has received an assessment order from Deputy Commissioner of Sales Tax, Mazgaon dated March 30, 2020. The Group has filed copy of Appeal against the said assessment order to Joint commissioner of State Tax dated July 20, 2020 and paid ₹ 0.05 million (March 31, 2021: ₹ 0.05 million, March 31, 2020: ₹ NIL, and March 31, 2019: ₹ NIL) under protest against the said demand, which is shown under balance with statutory authorities (non-current). The Commissioner has granted a stay on recovery of demand pending decision by the Honourable High Court of Bombay in a similar case of M/s Diageo India Pvt Ltd v/s State of Maharashtra.
- (n) The Group has an unpaid demand of ₹ 58.26 million (March 31, 2021: ₹ 58.26 million, March 31, 2020: ₹ NIL, March 31, 2019: ₹ NIL) arising out of assessment under MVAT Act, 2002 for financial year 2016-2017. The said demand has arisen due to alleged VAT liability on amount of Business Surplus received by the Group from tie-up unit arrangements with third parties. The Group has received an assessment order from Deputy Commissioner of Sales Tax, Mazgaon dated February 23, 2021. The Commissioner has granted a stay on recovery of said demand pending decision by the Honourable High Court of Bombay in the case of M/s Diageo India Pvt Ltd v/s State of Maharashtra.
- (o) Rajasthan VAT department has demanded amount of ₹ 10.75 million (March 31, 2021: ₹ 10.75 million, March 31, 2020: ₹ 10.75 million, March 31, 2019: ₹ 10.75 million) Sales Tax along with interest and penalty from a contract bottling unit on ENA produced by them to be used as intermediary product for the manufacturer of IMFL. The matter is pending before Supreme Court.
- (p) A letter of intent (LOI) was granted to the Group along with a demand notice by the Government of Andhra Pradesh on March 9, 2017 on the basis of an application made on December 3, 2014 along with stipulated payment of ₹ 27.50 million (March 31, 2021: ₹ 27.50 million, March 31, 2020: ₹ 27.50 million, March 31, 2019: ₹ 27.50 million). The Group had immediately requested for a waiver of the demand notice. Further, vide letter dated May 17, 2017, the Group had requested for a three years moratorium for payment of license fees. The request was disallowed vide their letter dated May 31, 2017 which was served on the Group on June 12, 2017.
- The Group then requested the Commissioner of Prohibition of Excise for surrendering the LOI and requested for refund of the advance paid ₹ 27.50 million vide letter dated June 14, 2017. However, the Group received a demand notice from the Government of Andhra Pradesh and Commissioner of Prohibition & Excise for payment of the license fees of ₹ 173.41 along with 18% interest, which remains unpaid.
 - The Group also received revised letter dated February 9, 2018 with correct calculation of instalments with date-wise schedule, which indicates a balance amount payable of ₹ 272.50 million in 11 quarterly instalments with first instalment being due on January 26, 2017.

- Group filed a writ petition under Article 226 of the Constitution of India against the State of Andhra Pradesh represented by the Principal Secretary to Government Revenue (Excise Department) as well as against the Commissioner, Prohibition and Excise, Government of Andhra Pradesh in the High Court of Andhra Pradesh seeking a declaration that the said demand as well as refusal of the Respondents to refund amounts paid by Parent Company of ₹ 8.75 million and ₹ 27.50 million along with applications made on November 22, 2010 and December 3, 2014 as bad and illegal in law; and a direction to the Respondents to cease making demands for payment of instalments and to refund the above amounts paid along with interest @18% per annum from December 17, 2012 and May 31, 2017 respectively.
 - In the said Writ Petition, the Honourable High Court was pleased to pass an interim order directing the Respondents not to take any coercive action against Group pursuant to the letter dated February 6, 2019 of the 2 Respondent. The Group filed a writ petition against the said order and obtained an interim stay on the same. The matter is still pending in Andhra Pradesh High Court.
 - The writ petition filed by the Group against the State of Andhra Pradesh represented by the Principal Secretary to Government, Revenue (Excise Department) and the Commissioner Prohibition and Excise is pending before the High Court of Andhra Pradesh. The matter was last listed on March 19, 2019 when the order was passed. Thereafter the matter has not been listed. The order subsists even as on today. The order copy stated no coercive steps can be taken against the petitioner.
- (q) Interest in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, interest will be paid in all cases where the vendor has claimed the same from the Group. The Group has not received any such claims, including in the past few years, from any of their vendors. The amount of such interest, if any, which may be claimed by the vendors, is not ascertainable at present.
- (r) The Company is operating its business in the state of Uttar Pradesh by entering into a Lease Agreement with Simbhaoli Sugars Limited (Simbhaoli) since October 2017. As per the Uttar Pradesh Value Added Tax Act, 2008, during pre GST period i.e. before June 30, 2017, ENA in Uttar Pradesh was charged at 0.80 paisa per litre for intra state purchase of ENA and inter-state purchase was taxed at 2% CST. After introduction of GST, ENA falls under VAT and there was no clarity on VAT to be charged on ENA. In respect of ENA purchases made by the Company from Simbhaoli since October 2017 no VAT / GST has been recovered or paid by Simbhaoli in line with the request made by the Company. The Company has issued an indemnity to safeguard Simbhaoli from any liability on account of VAT / GST on ENA procurement from them. Department has issued notice to Simbhaoli to deposit arrears of Tax for Fiscal Year 2017-18, 2018-19 and 2019-20. Neither Simbhaoli nor the Company has paid any tax for the period from October 1, 2017– December 8, 2019. On December 17, 2019, Uttar Pradesh VAT Authority has notified 5% rate of VAT on ENA, effective from December 9, 2019. Since December 9, 2019 onwards, the Company has been paying 5% VAT on ENA purchase. The Company has been granted stay for 90% of the demand on issuance of surety. Balance 10% of the demand has been paid by the Company amounting to ₹ 14.29 million (March 31, 2021: ₹ Nil, March 31, 2020: ₹ Nil, March 31, 2019: ₹ Nil) for Fiscal Year 2017-18, Fiscal Year 2018-19 and Fiscal Year 2019-20, which is shown under balance with statutory authorities (non-current).
- (s) A contract bottling unit had been issued notice of demand of ₹ 13.12 million (March 31, 2021: ₹ 13.12 million, March 31, 2020: ₹ 13.12 million, and March 31, 2019: ₹ 13.12 million) on July 2, 2010 under the Assam Entry Tax Act by the Government of Assam. Amount deposited under protest of ₹ 7.58 million (March 31, 2021: ₹ 7.58 million, March 31, 2020: ₹ 7.58 million, and March 31, 2019: ₹ 7.58 million) is shown under other financial assets.
- (t) In earlier years, the Company was receiving taxable invoices from its CBUs at the rate of 18% on the bottling charges on manufacturing of IMFL for the Company (brand owner). However, based on the notification dated October 13, 2017, No.31/2017 - Central Tax (rate), the Company has asked its bottlers to charge GST on bottling charge at 5%.
- Vide Notification No. CBIC (TRU) Circular No. 164/20/2021 a separate new entry was introduced with effect from October 1, 2021, and accordingly all the CBUs are charging 18% on job work changes.
 - However, there remains a non-clarity in respect of charging the 18% rate from October 1, 2017 to September 30, 2021. The Confederation of Indian Alcoholic Beverage Companies (CIABC) has submitted a representation vide letter dated October 9, 2019 to Honourable Finance Minister and other senior members. However, final disposal of the above representation made has not been received. The Company is of the view that the effective date of applicability of 18% GST should be from October 1, 2021 only and accordingly no provision has been made in the books of account.
 - During the year some of the State GST departments have raised demand for the differential GST amount as mentioned below for which company has filed its reply with the department that the Company through its Member Association CIABC has made various representation for clarification to the GST council and is awaiting response on this.

State	Unit Name	Period of Demand	Demand (₹ million)
Maharashtra	Radico NV Distilleries Maharashtra Limited	July 2017 to July 2019	6.31
Odisha	Hi Tech Bottling Limited	July 2017 to November 2020	8.11
Odisha	Shakti Maltare & Lemonade Private Limited	July 2017 to November 2019	5.05

- (u) The Company has received a Rectification order under Section 24 of the MVAT dated December 6, 2021 arising total demand of ₹ 19.87 million (March 31, 2021: ₹ Nil, March 31, 2020: ₹ Nil, and March 31, 2019: ₹ Nil). The demand has arisen mainly due to VAT liability on the amount of business surplus received by the Company from tie up unit arrangements with third parties.
- For the similar period Company has received a rectification order under Section 9(2) of the CST Act Maharashtra raising a total demand of ₹ 2.24 million (March 31, 2021: ₹ Nil, March 31, 2020: ₹ Nil, and March 31, 2019: ₹ Nil) of which the Company has already paid ₹ 1.22 million (March 31, 2021: ₹ Nil, March 31, 2020: ₹ Nil, and March 31, 2019: ₹ Nil) and same is shown under other financial assets. The demand has arisen mainly due to the non-receipt of C Forms and F Forms, and the Company has filed an appeal and the matter is pending to be heard.
- (v) Group has received summon notice dated August 11, 2020 from the Director General of GST Intelligence, Hyderabad on applicability of GST on Distillery Wet Grain Soluble (“DWGS”) and Distillery Dry Grain Soluble (“DDGS”). However, show cause notice or demand notice is not issued by the department yet. Company has filed for advance ruling before the Telangana State Authority for Advance Ruling (“TSAAR”) to clarify on the above subject matter of classification of product and applicable GST rate, for which order is awaited of TSAAR. The Company is preferring an appeal before the Telangana State Appellate Authority for Advance Ruling. The Company is discharging tax on DDGS and DWGS at 5% from October 1, 2021 and will be disputing the demand, if raised for the period from July 2017 to July 2021, placing reliance on judgement/ advance ruling relied for classification of DDGS and DWGS.
- (w) During the year ended March 31, 2019, the Group has received Income Tax assessment order from Income Tax Department for AY 2016-17 raising demand of ₹ 1.73 million. The said demand has arisen due to non-granting of claim of TDS and TCS in respect of Wales Distillers Private Limited, which was merged with the Group with the appointed date of April 1, 2015.
- The Group has made required representation before the Assessing Officer for rectification of demand. The Group is confident of getting a favourable rectification order and accordingly, no provision has been made in the books of account.

Commitments

Capital commitments (net of advances) of ₹ 28.32 million (March 31, 2021: ₹ 25.67 million, March 31, 2020: ₹ 39.15 million, March 31, 2019: ₹ 20.74 million).

For further information on our contingent liabilities, see “*Restated Consolidated Financial Information – Note 49 - Contingent liabilities and commitments*” on page 335.

Except as disclosed in the Restated Consolidated Financial Statements or elsewhere in this Draft Red Herring Prospectus, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to our future commitments:

Particulars	As of December 31, 2021				
	Payment due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(₹million)				
Capital commitments (net of advances)	28.32	28.32	-	-	-
Total	28.32	28.32	-	-	-

For further information on our capital and other commitments, see “*Restated Consolidated Financial Information – Note 49 - Contingent liabilities and commitments*” on page 335.

CAPITAL EXPENDITURES

In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, our capital expenditure towards additions to fixed assets (property, plant and equipment, capital work in progress, intangibles under development and intangible assets) were ₹ 1,583.04 million, ₹ 468.36 million, ₹ 356.27 million, and ₹ 514.21 million, respectively. The following table sets forth our fixed assets for the periods indicated:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For the nine months ended December 31, 2021
	(₹ million)			
Property, plant and equipment	4,767.17	4,355.30	4,463.03	5,056.69
Capital Work in Progress	334.97	477.18	169.34	135.04
Intangible assets	670.86	652.52	668.19	664.76
Intangible under development	0.45			
Rights of use assets	1,390.04	1,347.38	1,362.03	1,331.07
Total	7,163.49	6,832.38	6,662.59	7,187.56

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include royalty income, interest income, promotional material and services, sale of assets, unsecured loans, interest on unsecured loans, rent expenses, investment in compulsorily convertible debentures, advance for purchase of land, commission, redemption of preference shares, sale of investments and managerial remuneration.

In Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021, the aggregate amount of such related party transactions was ₹ 4,067.15 million, ₹ 3,796.15 million, ₹ 1,898.63 million and ₹ 4,474.84 million respectively. The percentage of the aggregate value of such related party transactions to our total revenue from operations in Fiscal 2019, 2020 and 2021, and in the nine months ended December 31, 2021 was 4.55%, 4.68%, 2.98% and 8.22%, respectively.

For further information relating to our related party transactions, see “*Restated Consolidated Financial Information – Note 47 – Related Parties Disclosures, as per IND AS 24*” on page 324.

AUDITOR’S OBSERVATIONS

The Statutory Auditors have included the following Emphasis of Matters in the examination reports on the Restated Consolidated Financial Statements:

Fiscal 2021

“*Recoverability of dues receivable from a customer*”

We draw attention to the matter stated in Note 48 (n) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to ₹ 340.30 million as at 31 March 2021, which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Holding Company on account of

differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.”

Fiscal 2020

“Recoverability of dues receivable from a customer

We draw attention to the matter stated in Note 48 (o) to the consolidated financial statements which indicates that the Holding Company is in the process of recovering dues receivable from a customer – Canteen Stores Department, amounting to ₹ 340.30 million as at 31 March 2020, which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Holding Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Holding Company. Our opinion is not modified in respect of this matter.”

Fiscal 2019

“We draw attention to Note 46(p) of the consolidated financial statements which indicates that the Company is in the process of recovering dues receivable from a customer – Canteen Store Department, amounting to ₹ 366.14 million which have been withheld by the customer pursuant to a debit memorandum amounting to ₹ 366.14 million raised on the Company on account of differential trade rates for sales made to the customer during the period from 1 March 2012 to 31 October 2017, which is being contested by the Company. Our opinion is not modified in respect of this matter.”

Further, the statutory auditors have also included certain CARO observations. For further details, see “*Risk Factors – Internal Risk Factors – 26. Our Statutory Auditors have included certain observations in our Restated Financial Information as required under the Companies (Auditors Report) Order, 2016.*” on page 51.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our activities expose us to market risk, liquidity risk and credit risk. Our board of directors has overall responsibility for the establishment and oversight of our risk management framework.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and price risk. Our exposure to market risk is primarily on account of foreign currency exchange rate risk and interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our debt obligations with floating interest rates.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk primarily relates to fluctuations in receivables, trade payables, borrowings and other payables denominated in USD, GBP and AED against the functional currency INR of the Company and our Subsidiaries.

Our risk management policy is to assess our net exposures which is mainly represented by receivable and payable towards exports and imports respectively, and partly represented by the loans availed in foreign currencies. We can hedge our net exposures with a view on foreign exchange outlook. Since the net exposure is currently not material, this has not been hedged. Our exposure to foreign currency changes for all currencies is not material.

Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost and other balances with banks and financial institutions, as well as credit exposures to trade receivables.

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Trade receivables are typically unsecured and are derived from revenue earned from two major classes of customers, receivable from sales to government corporations and receivables from sales to private third parties.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom we grant credit terms in the normal course of business. We use expected credit loss model, which is applied to overdue receivables other than receivables from parties where the risk is assessed to be insignificant. Our credit risk is concentrated mostly to states where goods are sold to private third parties.

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

Liquidity Risk

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

The liquidity risk principally arises from obligations on account of financial liabilities viz. borrowings, lease liabilities, trade payables and other financial liabilities.

The finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors our net liquidity position through trade receivables or through short term borrowings on need basis.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 365 and 34, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations*” and the uncertainties described in “*Risk Factors*” on pages 365 and 34, respectively. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 34, 178 and 362, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments other than in the normal course of business.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 178, 137 and 34, respectively, for further information on competitive conditions that we face across our various business verticals.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals and nine months ended December 31, 2021 are as described in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2021 compared to Fiscal 2020*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Fiscal 2020 compared to Fiscal 2019*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Nine months ended December 31, 2021*” above on pages 386, 389 and 393, respectively.

SEGMENT REPORTING

We are engaged in the business of manufacture, purchase and sale of alcoholic beverages. Operating segment are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM regularly monitors and reviews the operating result of the Group as one segment of ‘Alcoholic beverages/liquids’. Thus, as defined in Ind AS 108 “Operating Segments”, our entire business falls under this one operational segment.

For further information, see “*Restated Consolidated Financial Information – Note 58 – Segment Reporting* on page 348.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Our total revenue from operations from the top two customers in Fiscal 2019, 2020 and 2021 and in the nine months ended December 31, 2021, which individually accounted for more than 10% of our total revenue from operations were ₹ 43,261.03 million, ₹ 30,401.18 million, ₹ 23,939.22 million and ₹ 19,943.59 million or 48.93%, 38.00%, 38.01 and 37.34% our revenue from operations, respectively. For further information, see “*Risk Factors - Our business is dependent on the sale of our products to our key customers and the loss of one or more such customers or a reduction for our products could adversely affect our business, result of operations, financial condition and cash flows.*”

SEASONALITY/ CYCLICALITY OF BUSINESS

Seasonal consumption cycles and changes in weather conditions can affect our results of operations. Major holidays and festivals generally increase the demand for our products in India. Consumption of our products is particularly strong from October to March. Weaker consumer demand for our products as a result of these or other factors could adversely affect our business, financial condition, results of operations and prospects. Further, the distribution structure is prone to sudden policy or regulatory changes by the various state governments, resulting in stock-out of our products in the market thereby resulting in loss of sales. For further information, see “*Risk Factors – Internal Risk Factors – 37. Seasonal fluctuations in consumer demand could adversely affect our business, financial condition, results of operations and prospects*” on page 56.

SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2021 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed above and elsewhere in this Draft Red Herring Prospectus, to our knowledge no circumstances have arisen since December 31, 2021, that could materially and adversely affect or are likely to affect, the trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

We have availed of loans and financing facilities in the ordinary course of business. For undertaking necessary activities in relation to the Offer, we have obtained the necessary consents from, and provided intimations to, the requisite lenders in terms of the relevant documentation governing their borrowings.

As on December 31, 2021, we had outstanding borrowings of ₹ 9,268.90 million.

A brief summary of our financial indebtedness as of December 31, 2021 is set out below:

(₹ in million)		
Nature of Borrowing	Amount Sanctioned	Amount Outstanding*
Secured Borrowings		
Working capital facilities		
- Fund based	6,795.80	6,044.09
- Non-fund based	-	-
Term loans	5,421.20	2,908.24
Vehicle loans	35.20	12.43
Total Secured Borrowings (A)	12,252.20	8,964.76
Unsecured Borrowings**		
Working capital facilities	329.95	259.87
Loans given to subsidiaries	-	-
Others		
- Loan from Director	5.66	5.66
- Loan from body corporate	38.61	38.61
Total Unsecured Borrowings (B)	374.22	304.14
Total (A+B)	12,626.42	9,268.90

* As certified by S D T & Co., Chartered Accountants, pursuant to their certificate dated June 27, 2022.

** Unsecured borrowings outstanding limit is considered as sanction limit.

Principal terms of the borrowings availed by our Company and our Subsidiaries are disclosed below:

1. *Interest:* In terms of the facilities availed by our Company and our Subsidiaries, the interest rate is typically the base rate of a specified lender and spread per annum, subject to a minimum interest rate. The spread varies between different facilities. The interest rate for the facilities typically varies from 4.92% to 16.55% per annum.
2. *Tenor:* The maximum tenor of the facilities availed by our Company is 120 months.
3. *Security:* In terms of our borrowings where security needs to be created, we are typically required to:
 - (a) create charge by way of hypothecation on entire current assets, both present and future;
 - (b) create charge by way of hypothecation over all moveable and immovable fixed assets, both present and future;
 - (c) create charge by way of mortgage over immovable fixed assets; and
 - (d) execute guarantee(s) in relation to certain borrowings of our Company.

The above-mentioned lists are indicative and there may be additional requirements for creation of security under the various borrowing arrangements entered into by our Company.

4. *Pre-payment and premature redemption:* The terms of certain facilities availed by our Company and our Subsidiaries typically have prepayment provisions which allow for pre-payment of the outstanding loan amount, subject to such prepayment penalties and such other conditions as laid down in the facility agreements, on giving notice and/or obtaining prior approval from the concerned lender, as the case may be. The prepayment premium for the facilities availed, where specified, is typically charged at the rate of 0%-3% of the amount prepaid or the principal outstanding, often depending on the leftover tenor of the facilities, or at an amount decided at the discretion of such lender.
5. *Penalty:* The terms of certain facilities availed by our Company and our Subsidiaries prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of covenants or terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed typically ranges from 1% to 2% *per annum* on the outstanding loan.
6. *Restrictive Covenants:* The facilities contain certain reserved matters, for which prior consent of the lenders is required. An indicative list of such reserved matters is disclosed below:
 - (i) Any change in the capital structure and shareholding pattern of our Company;
 - (ii) Changing the general nature of business of our Company;
 - (iii) Amending the constitutional documents of our Company;
 - (iv) Extending loans and advances to any of our group companies, associate concerns, directors, promoters or any other person;
 - (v) Undertaking new projects or expansion activities, including through investments in third parties and mergers and restructuring;
 - (vi) Paying any commission, brokerage or fees to its promoters/directors/guarantors/security providers;
 - (vii) Making any repayment of loans and deposits and discharge other liabilities;
 - (viii) Paying dividend in case of delay of debt servicing or breach of any financial covenants;
 - (ix) Making any change in the management set-up, or composition of its board of directors and key managerial personnel; and
 - (x) Availing further loans or approaching capital markets for mobilizing additional resources either in the form of debt or equity.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific borrowing arrangements entered into by our Company and / or its Subsidiaries.

7. *Events of default:* In terms of borrowing arrangements for the facilities availed by our Company, the occurrence of any of the following, among others, constitute an event of default:
 - (i) failure to pay/repay any monies in respect of the facilities or any other facilities on the due dates;
 - (ii) failure to create and/or perfect security within such period as contemplated under the respective facility agreements;
 - (iii) breach in performance of any other obligation, covenant or undertaking, under or in connection with the

- facilities, guarantee or security;
- (iv) misuse of the sanctioned facilities for purposes other than those sanctioned by the lenders;
- (v) any indebtedness of the borrower becoming due and payable or capable of being declared due and payable, prior to the date of maturity by reason of occurrence of an event of default;
- (vi) failure to pay any amount under any court order or decree, or judgment against our Company;
- (vii) changing the line of business or suspension or ceasing to carry on business which results into material adverse effect on the lenders;
- (viii) change in the control or constitution of the Company, without prior consent;
- (ix) any representation, warranty, undertaking or statement made or information provided which proves to be misleading in any material aspect in the lender's opinion;
- (x) security or any part thereof being jeopardized or becoming unenforceable;
- (xi) bankruptcy, insolvency, liquidation, reorganization or winding up of our Company or appointment of a liquidator;
- (xii) failure to comply with financial covenants;
- (xiii) inadequate security or insurance or non-creation of any security or failure of our Company to comply with any security stipulation;
- (xiv) there occurs a change in control of the Promoters;
- (xv) breach of any statement, representation, warranty, covenant or confirmation which cannot be cured within the stipulated time;
- (xvi) any other event or material change which may have a material adverse effect on the lenders;
- (xvii) distress, execution, attachment or other legal process being levied against the assets of our Company; and
- (xviii) all or substantially all of the undertaking, assets or properties of our Company are seized, nationalized, expropriated or compulsory acquired by the authority of government.

The above-mentioned list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by our Company.

8. *Consequences of occurrence of events of default:* In terms of borrowing arrangement for the facilities availed by our Company, upon the occurrence of events of default, the lenders may:
- (i) declare the facilities, together with accrued interest and other monies, to be immediately due and payable and upon such declaration, the same shall become immediately payable;
 - (ii) impose penal interest over and above the contracted rate on the amount in default;
 - (iii) exercise any or all rights and recourses available to the lender including enforcement of security under the respective facility agreement;
 - (iv) appoint from time to time nominee directors on the Board of Directors to look after the lender's interest;

- (v) convert outstanding loan amounts into the equity share capital of the Company;
- (vi) disclose or publish the name of our Company and Directors as defaulters in such manner and through such medium as the lenders in their absolute discretion may think fit;
- (vii) demand cure of any material default under any of the finance documents; and
- (viii) exercise all other remedies as available under applicable law.

The above-mentioned list is indicative and there may be additional consequences on the occurrence of an event of default under the various borrowing arrangements entered into by our Company. For further details of financial and other covenants required to be complied with in relation to our borrowings, see “*Risk Factors – Internal Risk Factors – 16. We have incurred indebtedness and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition. In addition, certain of our financing agreements involve variable interest rates and an increase in interest rates may adversely affect our results of operations and financial condition.*” on page 44.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at December 31, 2021, on the basis of amounts derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", beginning on pages 34, 272 and 362, respectively.

(₹ in million)

Particulars	Pre-Offer (as at December 31, 2021)	Post Offer*
Debt		
Current borrowings (A)	6,348.23	[●]
Non-current borrowings (including current maturities) (B)	2,920.67	[●]
Total borrowings (C=A+B)	9,268.90	[●]
Equity		
Equity share capital (D)	471.13	[●]
Other equity (E)	3,589.87	[●]
Total Equity (F= D+E)	4,061.00	[●]
Total (G= C+F)	13,329.90	[●]
Total non-current borrowings /Total equity (B/F)	0.72	[●]
Total borrowings/Total equity (C/F)	2.28	[●]

*These amounts (as adjusted for the Offer) are not determinable at this stage pending the completion of the book building process and hence have not been furnished

Notes:

- i. The corresponding post Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.
- ii. The above statement does not include lease liability as per Ind AS 116 disclosed under the Restated Consolidated Financial Information.
- iii. Pursuant to board resolution dated June 20, 2022, our Company has approved conversion of 8,547,000 8.5% CCDs each into 8,547,000 Equity Shares of ₹ 2 each, at a conversion ratio of 1:1.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings (ii) actions taken by regulatory or statutory authorities; (iii) claims related to any direct or indirect taxes; (iv) other pending litigation as determined to be material by our Board as per the Materiality Policy, in each case involving our Company, each of our Subsidiaries, Promoters or Directors (collectively, “**Relevant Parties**”); or (v) litigation involving each of our Group Companies which has a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.*

For the purposes of (iv) above, in terms of the Materiality Policy adopted by resolution of our Board dated June 23, 2022:

A. Any pending litigation / arbitration proceedings (other than litigations mentioned in point (i) to (iii) above) involving the Relevant Parties shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus, if:

a.) the aggregate monetary claim/dispute amount/liability made by or against the Relevant Parties (individually or in aggregate), in any such pending litigation / arbitration proceeding is equal to or in excess of 1% of the consolidated net worth of the Company, as at the end of the latest period covered in the Restated Consolidated Financial Information disclosed in the Offer Document, being ₹ 40.61 million; or

b.) any such litigation wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in A.(a) above, but the outcome of which could, nonetheless, directly or indirectly, or together with other similar proceedings, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company and/or our Subsidiaries.

B. Any pending litigation / arbitration proceedings (other than litigations mentioned in points (a) and (b) above) involving any person other than the Relevant Parties shall be considered “material” for the purposes of disclosure in the Offer Documents, if, the outcome of such litigation could have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties or Group Companies from third parties (other than notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered as material litigation until such time that a Relevant Party is impleaded as a defendant in proceedings before any judicial / arbitral forum.

Further, creditors of our Company to whom amount due by our Company is equal to or in excess of ₹ 172.25 million, being 5% of the consolidated trade payables of our Company as at the end of the latest period included in the Restated Consolidated Financial Information, would be considered as material creditors.

All the criminal matters initiated by or against the Relevant Parties which are at the FIR stage and no/some cognizance has been taken by the court have been disclosed.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus. All terms defined herein in a particular litigation disclosure pertain to that litigation only.

We have also disclosed matters relating to direct and indirect taxes involving the Relevant Parties in a consolidated manner giving details of number of cases and total amount involved in such claims. In the event any tax matters involve an amount exceeding the threshold proposed in A(a) above, in relation to each Relevant Party, individual disclosures of such tax matters have been included.

A. Litigation involving our Company

Outstanding criminal litigation against our Company

1. Atul Ramesh Rumale (“**Complainant**”), filed a regular criminal case before the Chief Judicial Magistrate, Jalgaon (“**Chief Judicial Magistrate**”) on April 13, 2004, against BDA Limited, which was later merged with our Company, and its four employees, at the time of filing of the Complaint, (“**Accused Persons**”), alleging commission of offenses under Sections 417, 420, and 427 read with Section 34 of the Indian Penal Code. The Complaint was filed in relation to the “Officer’s Choice – Dhakkan Se Santro Tak” prize scheme (“**Scheme**”) pursuant to which the Complainant bought a carton of Officer’s Choice Prestige Whiskey to avail the prizes offered. Later, the Complainant accused our Company of refusing to give him a gift car, i.e., Santro that was claimed by him pursuant to the Scheme. By way of an order dated December 3, 2008, the Chief Judicial Magistrate issued process against the Accused Persons, and subsequently, the Police Inspector, City Police Station issued a report dated July 28, 2010 stating that the Complainant had not complied with all the terms and conditions, and hence was not awarded the prize. Consequently, by way of an order dated March 8, 2011 (“**Order**”) the Chief Judicial Magistrate issued process for the Petitioner to adduce evidence for arguments. A criminal revision application was filed by our Company, and Kishore Rajaram Chhabria, one of the Accused Persons, each, before the Sessions Court, Jalgaon (“**Sessions Court**”), *inter alia*, for the quashing and setting aside of the Order. By way of an order dated November 21, 2014, the Sessions Court, set aside the Order against all the Accused Persons (“**Sessions Court Order**”). The Complainant filed a criminal writ petition dated January 5, 2015 before the High Court of Bombay, Aurangabad Bench (“**Bombay High Court**”, the “**Writ Petition**”), challenging the Sessions Court Order. The Bombay High Court through an order dated October 25, 2016, discharged the Writ Petition and acquitted Kishore Rajaram Chhabria, and the matter is currently pending.

Outstanding criminal litigation by our Company

1. There are 42 cases filed by our Company pending before various fora for alleged violation of section 138 of Negotiable Instruments Act, 1881, for recovery of amounts due to our Company for which cheques issued in favour of our Company by our clients/debtors which have been dishonoured. The total pecuniary value involved in all these matters is ₹ 259.50 million. The matters are currently pending.
2. Our Company has filed a criminal complaint in February, 2022, against Shiva Beverages Private Limited and others before the Deputy Commissioner of Police, Dispur, Assam alleging, *inter alia*, cheating, misrepresentation, forgery and endangering public health and safety by manufacturing and selling/dealing in counterfeit liquor bearing forged labels of our Company’s brand “Officer’s Choice,” under provisions of the Indian Penal Code, Copyright Act, and the Trademark Act, and other provisions, as applicable. Further, our Company has also filed an FIR dated March 26, 2022 against Shiva Beverages Private Limited and three others alleging commission of offenses under Sections 468, 472 and 420 of the Indian Penal Code read with Section 103 of Trademark Act, 1999. The matter is currently pending.

Actions by statutory or regulatory authorities against our Company

1. BDA Limited, which was later merged with our Company, has received a notice dated November 29, 2005 from Employees’ State Insurance Corporation (“**E.S.I.C.**”), for non-payment of employer’s contribution and filing of returns of contribution amounting to ₹ 0.51 million. By way of an order dated April 12, 2010 (“**Order**”), the E.S.I.C. directed our Company to pay a contribution of ₹ 0.48 million within 15 days of the Order. Further, BDA Limited received two notices dated August 25, 2010 and August 30, 2010, for non-payment of employer’s contribution and filing of returns of contribution amounting to ₹ 0.75 million (collectively, “**Notice**”), under Section 40 read with Section 39 of the Employees’ State Insurance Act, 1948. Subsequently, our Company filed an application for condonation of delay under section 75 read with section 77 of the ESI Act before Employees State Insurance and Member Industrial Court at Aurangabad (“**Court**”) which was later rejected by the Court vide an order dated July 4, 2014. Our Company has filed a ‘say to delay and stay’ application dated December 9, 2014 before the Court and the matter is currently pending.
2. Our Company received a notice dated January 4, 2016, under Rule 3.1.1(6) of the Food Safety and Standard Act, 2006 from the A.D.M.-cum-Adjudicating Officer, Mandi, Himachal Pradesh (“**Adjudicating Officer**”) stating that the type of flavouring agents used in the product is not being mentioned on the label, and hence,

the sampled of “Class 21 Green Apple Flavoured Grain Vodka” were misbranded. A retailer, M/s Shiv Ram a wholesaler, Rana Wines, and our manufacturer, Himalyan Gold Beverages Private Limited were also impleaded in the notice. Consequently, our Company received a notice dated July 22, 2016 to appear before the Adjudicating Officer. Pursuant to an order by the Adjudicating Officer dated August 6, 2018 (“**Order**”), the Adjudicating Officer imposed an aggregate penalty of ₹0.05 million on Rana Wines, Himalyan Gold Beverages Private Limited and our Company. Himalyan Gold Beverages Private Limited has filed an appeal against the Order before the Food Safety Appellate Tribunal (District Judge) Mandi Himachal Pradesh. The matter is currently pending.

3. Our retailer, M/s. Sunder Lal, a wholesaler, A.M.A. Enterprises Limited, and our manufacturer by Himalyan Gold Beverages Private Limited received a notice dated January 4, 2016, under Rule 3.1.1(6) of the Food Safety and Standard Act, 2006 from the A.D.M.-cum-Adjudicating Officer, Mandi, Himachal Pradesh. (“**Adjudicating Officer**”) stating that the name or recognised international numerical identification number of the permitted natural colour i.e. “*caramel*” and the type of flavouring agents used have not been mentioned in the on the label, and hence, the sampled “Officer’s Choice Prestige Whisky” were misbranded. Pursuant to an order by the Adjudicating Officer dated August 11, 2017 (“**Order**”), the Adjudicating Officer imposed an aggregate penalty of ₹0.07 million on Sunder Lal, AMA Enterprises, Himalyan Gold Beverages Private Limited and Saraya Distillery. Himalyan Gold Beverages Private Limited has filed an appeal against the Order before the Food Safety Appellate Tribunal (District Judge) Mandi Himachal Pradesh. Our Company is interested in the matter as it is the brand owner of “Officer’s Choice Prestige Whisky.” The matter is currently pending.

Other pending material litigation involving our Company

Civil proceedings against our Company

Nil

Civil proceedings by our Company

1. Our subsidiary, N.V. Distilleries and Breweries (AP) Private Limited (“**N.V. Distilleries**”) had been allotted a land in Siddipet district, Telangana, for setting up of a distillery by the erstwhile Andhra Pradesh Industrial Infrastructure Corporation Limited. However, N.V. Distilleries failed to seek the necessary approvals *inter alia*, building plan approvals and obtaining power connections in the stipulated time. Our Company requested that the said letter of intent be transferred from N.V Distillers to our Company. By way of a letter dated March 27, 2019, by the Office of the Commissioner of Prohibition and Excise (Distilleries) Telangana State, Hyderabad and others, (“**Commissioner**, the “**Letter**”), the Assistant Commissioner refused (i) an extension on the letter of intent issued in favour of N.V. Distilleries, and (ii) the transfer of the letter of intent from N.V. Distillers to our Company and initiated the action of resumption of land. Our Company, and N.V. Distilleries, have filed a writ petition against the Commissioner & others, before the High Court for the State of Telangana at Hyderabad on July 9, 2019 seeking suspension of the Letter. The Court ordered to maintain the status quo vide an order dated July 31, 2019 The matter is currently pending.
2. Our Company has filed a title suit against Alpine Distilleries Private Limited (“**Alpine**”) and others before the Second Civil Judge, Junior Division at Chinsurah (“**Court**”) on January 2, 2021 (“**Suit**”) alleging breach of covenants of the manufacturing agreement dated February 3, 2012 (“**Manufacturing Agreement**”), by refusing to enter into a lease deed for setting up of the distillery unit stipulated under the Manufacturing Agreement. By way of an ex-parte order dated January 4, 2021, the Court restrained Alpine from creating any third-party interests in the distillery unit. The matter is currently pending.
3. Our Company filed an execution application (“**Application**”) against Rajkumar Sudamrao Dhamdhare (“**Respondent**”) before the District Judge, Aurangabad (Commercial Division) at Aurangabad (“**Court**”) on April 18, 2019 seeking execution of decree passed by the Court on January 29, 2019 (“**Decree**”) of ₹ 108.12 million with interest at the rate specified in the Decree. Our Company has prayed, *inter alia*, for attachment and sale of the Respondent’s movable and immovable properties in case of Respondent’s failure to pay to the

Company the sum specified in the Decree. The Court vide its order dated October 22, 2021 has allowed the Application. The Respondent filed a recall application claiming that the description of the movables is incorrect and includes movables that does not belong to the Respondent, however, the same was dismissed by the Court vide an order dated November 30, 2021 (“**Recall Application Order**”). The Respondent has filed a writ petition dated December 19, 2021, before the High Court of Bombay, at Aurangabad, challenging the Recall Application Order. The matter is currently pending.

4. Our Company had filed a writ petition before the High Court of Bombay, at Mumbai, (“**High Court**”) merged with 50 other petitions (“**Writ Petition**”), challenging the legality and validity of the following rules framed under the Bombay Prohibition Act, 1949 to the extent they levy/impose transport fee or administrative fee in relation to the transport of molasses/rectified spirit/extra neutral alcohol/silent spirit/denatured spirit, namely (i) Rule 19 of the Bombay Molasses Rules, 1955, (ii) Rule 5 of the Bombay Rectified Spirit (Transport in Bond) Rules, 1959, and (iii) Rule 50 of the Bombay Denatured Spirits Rules, 1957. The High Court by way of an order dated May 6, 2011 (“**Order**”) has disposed of the Writ Petition. Our Company has filed a special leave petition dated November 2, 2011 before the Supreme Court of India against the Order. The matter is currently pending.
5. Our Company has filed two civil suits before the High Court at New Delhi, against John Distilleries Limited & others (“**John Distilleries**”) and John P Paul & others, (John Distilleries Limited & others and John P Paul & Others collectively, “**Defendants**”, collectively the “**Suits**”) dated May 29, 2002 and March 23, 2007, alleging that the Defendants have adopted a trademark and/or label “Original Choice” which is deceptively similar to our trademarks and/ or labels “Officer’s Choice” and “OC” and thereby infringing upon the trademarks registered by our Company.

Further, our Company and John Distilleries have filed a writ petition each, dated July 15, 2013, and August 30, 2013, respectively, against the other, before the High Court of Madras (the “**Petitions**”) challenging the order dated March 8, 2013 of Intellectual Property Appellate Board (“**IPAB**”, the “**Order**”). Our Company has prayed for removal of the registration granted to the John Distilleries for the trademarks and/or label “Original Choice”. The matters are currently pending.

6. UTO Nederland B.V. and Distilleerderij en Likeurstokerij Herman Jansen B.V. (“**Appellants**”) have filed an appeal before the High Court of Bombay (“**High Court**”) against Tilaknagar Industries Limited (“**Respondent**”), appealing to the High Court to overturn the order dated December 22, 2011 and to hold the Respondent guilty for infringement of copyright and passing off the trademarks belonging to the Appellants. Our Company was impleaded into the suit by way of deed of assignment with the Appellants through which the Company became 50% owner of the brands upon Assignment of 50% rights in 2014. The matter is currently pending. Further, a counter claim has been filed by the Respondent against the Appellants in which our Company is a party. The claim is also currently pending.
7. Our Company has filed a commercial arbitration application dated December 6, 2021 (“**Application**”) before the High Court of Bombay (“**High Court**”), against Premier Distillers Private Limited (“**PDPL**”) under section 11 of the Arbitration and Conciliation Act, 1996 for seeking appointment of a sole arbitrator to adjudicate the disputes that have arisen between the parties under the manufacturing agreement dated December 31, 2019. The matter is currently pending.

B. Litigation involving our Subsidiaries

Outstanding criminal litigation involving our Subsidiaries

*Sarthak Blenders & Bottlers Private Limited (“**Sarthak**”)*

1. There are three cases filed by Sarthak pending before the Additional Chief Judicial Magistrate, Meerut for alleged violation of section 138 of Negotiable Instruments Act, 1881, for recovery of amounts due to Sarthak for which cheques issued in favour of Sarthak by its clients/debtors have been dishonoured. The total pecuniary value involved in all these matters is ₹ 6.74 million. The matters are currently pending.

Actions by statutory or regulatory authorities against our Subsidiaries

Nil

Other pending material litigation involving our Subsidiaries

Civil proceedings against our Subsidiaries

Nil

Civil proceedings by our Subsidiaries

N.V. Distilleries and Breweries (AP) Private Limited (“N.V. Distilleries”)

1. See S. No. 1 under “- Civil proceedings by our Company” on page 412.

C. Litigation involving our Promoters

Outstanding criminal litigation involving our Promoters

Nil

Actions by statutory or regulatory authorities against our Promoters

Kishore Rajaram Chhabria

1. Pursuant to an order dated February 28, 2008, a penalty of ₹ 0.80 million was imposed on Kishore Rajaram Chhabria by the Special Directorate of Enforcement under the Foreign Exchange Regulation Act, 1973 (“Order”). An appeal was filed on June 2, 2008, before the High Court of Bombay challenging the Order. The matter is currently pending.

Other pending material litigation involving our Promoters

Against our Promoters

Nil

By our Promoters

Nil

Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange

Nil

D. Litigation involving our Directors

Outstanding criminal litigation involving our Directors

Nil

Actions by statutory or regulatory authorities against our Directors

Kishore Rajaram Chhabria

1. See S. No. 1 under “-Actions by statutory or regulatory authorities against our Promoters - Kishore Rajaram Chhabria” on page 414.

Shekhar Ramamurthy

2. Shekhar Ramamurthy (“**Appellant**”) filed a competition appeal dated December 8, 2021 (“**Appeal**”) before the Principal Bench, National Company Law Appellate Tribunal, New Delhi (“**NCLAT**”), against Competition Commission of India and 5 (five) companies in the “beer industry.” The Appellant has sought an interim stay against the order dated September 24, 2021 passed under section 48(2) of the Competition Act, 2002 by the Competition Commission of India (“**Order**”) alleging anti-competitive conduct and imposing a penalty of ₹ 1.70 million on the Appellant. The NCLAT by way of its order dated December 22, 2021 has stayed the Order during the pendency of the Appeal. The matter is currently pending.

Other pending material litigation involving our Directors

Against our Directors

Nil

By our Directors

Nil

E. Tax proceedings against our Company, Subsidiaries, Promoters and Directors

Set out herein below are details of claims relating to direct and indirect taxes involving our Company, Subsidiaries, Promoters and Directors.

Nature of case	Number of cases	Demand amount involved* (in ₹ million)
<i>Our Company</i>		
Direct tax	13	255.98
Indirect tax	13 ¹	858.21
<i>Subsidiaries</i>		
Direct tax	1	0.28
Indirect tax	-	-
<i>Promoters</i>		
Direct tax	-	-
Indirect tax	-	-
<i>Directors</i>		
Direct tax	-	-
Indirect tax	-	-
<i>Group Companies</i>		
Direct tax	-	-
Indirect tax	-	-

*To the extent quantifiable

¹. Amount of GST demand is not quantifiable in the one case, but it is included in the total number of cases of the Company.

Material Taxation Proceedings against our Company

Direct tax

1. Our Company received a notice dated March 29, 2022, under section 147 read with section 144B of the Income Tax Act, 1961 (“**IT Act**”) wherein assessment proceedings were initiated for assessment year 2015-16. Our Company has raised a rectification request on April 12, 2022 for the demand of ₹174.92 million. The matter is

currently pending.

Indirect tax

1. Our Company received a show cause cum demand notice from the Office of the Commissioner of Central Excise, Customs & Service Tax (“**Commissioner of CESTAT**”) dated March 31, 2016 (“**Show Cause Notice**”) demanding a service tax liability of ₹26.81 million, pursuant to payments made in foreign currency for sales promotions, travelling and others., for Fiscals 2011-12 to 2014-15. The Company pursuant to its letter dated March 31, 2017, has replied to the Show Cause Notice stating that the service tax was not applicable for the payments stated under the Show Cause Notice as the expenses had been incurred and paid outside India, and paid a sum of ₹0.21 million towards service tax, including interest, and a penalty of ₹26.81 million for Fiscal 2011-12 to Fiscal 2014-15. Subsequently, the Commissioner of CESTAT by way of an order dated March 31, 2017 (“**Order**”) determined a liability of ₹80.46 million, including penalties and interests from the Company. Our Company has filed an appeal before the Customs, Excise & Service Tax Appellate Tribunal, Mumbai (“**Tribunal**”) for setting aside of the Order and other reliefs as the Tribunal may deem necessary and fair. The matter is currently pending.
2. Our Company received an assessment order of the Joint Commissioner of Sales Tax, Mumbai (“**Joint Commissioner**”) dated March 29, 2016 (“**Order**”) under the provisions of the MVAT Act, 2002 for the period of Fiscal 2011 – 2012 imposing an aggregate liability of ₹324.89 million on account of (i) recovery of dues on account of business surplus pursuant to tie-up arrangements with third parties, and (ii) disallowance of set-off. Our Company filed an appeal against the Order before the Appellate Joint Commissioner of Sales Tax, Thane, and the same was dismissed pursuant to an order dated November 8, 2017 (“**Order of the Appellate Joint Commissioner**”). Subsequently, our Company has filed an appeal before the Maharashtra Sales Tax Tribunal on January 9, 2018 for quashing of the Order of the Appellate Joint Commissioner.
3. Our Company received an assessment order of the Deputy Commissioner of Sales Tax, Mumbai dated March 30, 2020 (“**Order**”) under the provisions of the MVAT Act, 2002 for the period of Fiscal 2015 -16 imposing an aggregate liability of ₹63.45 million pursuant to business surplus received by the Company from manufacturing arrangements with third parties. Our Company filed an appeal against the Order before the Joint Commissioner of Sales Tax, Mumbai (“**Joint Commissioner**”). The Joint Commissioner by way of an order dated January 11, 2021, has granted a stay on part payment of ₹0.72 million. The matter is currently pending.
4. Our Company received an assessment order of the deputy Commissioner of Sales Tax, Mumbai dated February 23, 2021 (“**Order**”) under the provisions of the MVAT Act, 2002 for the period of Fiscal 2016 -17 imposing an aggregate liability of ₹58.51 million pursuant to business surplus received by the Company from manufacturing arrangements with third parties. Our Company filed an appeal on May 4, 2021, against the Order before the Joint Commissioner of Sales Tax, Mumbai (“**Joint Commissioner**”). The Joint Commissioner by way of an order dated October 8, 2021, has granted a stay on part payment of ₹0.01 million. The matter is currently pending.

F. Outstanding dues to creditors

As per the Materiality Policy, a creditor of our Company, shall be considered to be material (“**Material Creditors**”) for the purpose of disclosure in this Draft Red Herring Prospectus, if amounts due to such creditor by our Company is equal to, or in excess of, 5% of the consolidated trade payables of our Company as at the end of the latest period in the Restated Consolidated Financial Information (*i.e.*, as at December 31, 2021). Accordingly, a creditor has been considered ‘material’ by our Company if the amount due to such creditor exceeds ₹172.25 million as on December 31, 2021.

As of December 31, 2021, details of outstanding dues to Material Creditors, micro, small and medium enterprises and other creditors were as follows:

S. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in million)
1.	Dues to micro, small and medium enterprises	265	1,102.57
2.	Dues to Material Creditor	2	456.19

S. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in million)
3.	Dues to other creditors	1,659	1,886.28
	Total	1,926	3,445.04

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at <https://www.abdindia.com/investor-relations/investor-information/reports>.

G. Litigation involving the Group Companies

As on the date of this Draft Red Herring Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

H. Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 362, there have been no material developments, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities. In view of these material approvals, our Company can undertake this Offer, and can undertake its business activities. Other than as stated below, no further material approvals from any regulatory authority are required to undertake the Offer or continue such business activities. In addition, certain of our material approvals may have expired or may expire in the ordinary course of business, from time to time and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For details in connection with the applicable regulatory and legal framework, see “Key Regulations and Policies” and “Risk Factors” on pages 206 and 34.

1. Incorporation details of our Company

- (i) Our Company was incorporated on October 8, 2008 under the Companies Act, 1956 as ‘You and Me Properties Private Limited’.
- (ii) Fresh certificate of incorporation was issued dated July 22, 2009 issued by the RoC, consequent upon the change of the name of our Company from ‘You and Me Properties Private Limited’ to ‘Moonlight Blenders and Distillers Private Limited’.
- (iii) Pursuant to a scheme of amalgamation between Allied Blenders and Distillers Private Limited, Our Own Properties Private Limited and our Company, dated April 1, 2009, and an order of the Hon’ble Bombay High Court dated February 5, 2010, the name of our Company was changed to ‘Allied Blenders and Distillers Private Limited’, and fresh certificate of incorporation dated April 30, 2010, was issued by the RoC.
- (iv) Fresh certificate of incorporation dated June 8, 2022 issued by the RoC consequent upon the change of our Company’s name from ‘Allied Blenders and Distillers Private Limited’ to ‘Allied Blenders and Distillers Limited’, pursuant to conversion of our Company from a private limited company to a public limited company.
- (v) The corporate identity number of our Company is U15511MH2008PLC187368.

For further details in relation to incorporation of our Company and our Subsidiaries, see “*History and Certain Corporate Matters*” on page 219.

2. Approvals in relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see “*Other Regulatory and Statutory Disclosures – Authority for the Offer*” on page 450.

3. Material approvals in relation to our business and operations

- (i) Licenses, approvals, registrations and accreditations received for the manufacturing processes, under the respective state Excise Act for compounding / blending, bottling, storing finished goods, sale of Indian made foreign liquor (“**IMFL**”), the Factories Act, 1938 (including the factory plan approval), the Food Safety and Standards Act, 2006, the Indian Boilers Regulations, 1950 (applicable only for the distillery), and Legal Metrology Act, 2009.
- (ii) HM Revenue and Customs registration (applicable for the Material Bottling Units where scotch is produced/used) (“**HMRC**”), Fire safety NOC, building completion certificate, stability certificate, registration under the Electricity Supply Act, 1948.
- (iii) Licenses and approvals obtained under the Plastic Waste Management Rules, 2016, Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981, consent to operate and establish from respective pollution control boards.

(iv) The Legal Entity Identifier code of our Company is 335800XU2PVRYNZP8A55.

4. Material labour/employment related approvals

- (i) Registrations issued by the Employees' Provident Fund Organisation, India under the EPF Act for the states where our business operations are spread.
- (ii) Registrations issued by the Employees' State Insurance Corporation, India under the ESI Act, for the states where our business operations are spread.
- (iii) We are required to obtain a certificate of establishment issued by the labour departments of the respective state governments where the Registered Office, Corporate Office and bottling units and distillery of our Company are located under the provisions of the relevant state specific legislations on shops and establishments. We have obtained the relevant shops and establishment registrations under the applicable provisions of the shops and establishments legislations of the relevant state for our Registered, Corporate Office and branches in India. Certain approvals may have lapsed in their normal course and we have either made applications to the appropriate authorities for renewal of such licenses/approvals or are in the process of making such applications.

5. Tax related and other material approvals

- (i) Our PAN is AAACY3846K.
- (ii) The tax deduction account numbers obtained by our Company as per the cities where our business operations are conducted are as follows:

City	Registration Number
Aurangabad	NSKA05276F
Derabassi	PTLA15654C
Gurgaon	RTKA05332F
Hyderabad	HYDA09591B
Mumbai	MUMA31012C
Kolkata	CALA10882E
Tripura	SHLA04255G
Jabalpur	JBPA07218B

- (iii) Registration certificates issued under the relevant goods and service tax acts, and the professional tax acts of the respective states where our branches are located.

Our Company has obtained registrations under state specific tax laws such as the goods and services tax acts and various states VAT acts.

6. Material approvals applied for but not received

As of the date of this Draft Red Herring Prospectus, the following material approvals have been applied for and are yet to be received:

S No.	Description	Authority	Date of application
<i>North-East Bottling</i>			
1.	Consent to operate from Pollution Control Board	Meghalaya State Pollution Control Board	February 11, 2022
<i>ABD Simbhaoli</i>			
2.	Excise license for Bottling	UP State Excise Department	March 15, 2022
3.	Excise License for storing FG	UP State Excise Department	March 15, 2022
4.	Excise License for sale of IMFL	UP State Excise Department	March 15, 2022
<i>Batra Breweries & Distilleries, Chandigarh</i>			
5.	Renewal of registration and	Labour Department, UT Chandigarh	November 22, 2021

	license to work a factory		
<i>Solkit, Udaipur</i>			
6.	Certificate of registration for Verification and Stamping of Weighing and Measuring Instrument	Legal Metrology Department	March 12, 2022
<i>Ankur Biochem, Dhanbad</i>			
7.	Certificate of registration for Verification and Stamping of Weighing and Measuring Instrument	Legal Metrology Department	March 23, 2021
<i>ABD Unakoti, Tripura</i>			
8.	NOC from fire safety department	Office of the Divisional Fire Officer, Government of Tripura	January 4, 2016
<i>North-East Bottling</i>			
9.	CGWA license	Central Ground water Authority	October 30, 2020
<i>UBDPL</i>			
10.	NOC from fire safety department	Fire Safety Department	May 26, 2022
<i>Shakti Maltware and Lemonade Private Limited</i>			
11.	CGWA certificate for extraction of ground water	Central Ground Water Authority	June 8, 2022
<i>United Brothers Distilleries</i>			
12.	NOC from Fire Safety Department	Office of Divisional Fire Officer, Arunachal Pradesh	December 12, 2021
<i>Lokmangal Mauli Industries, Osmanabad</i>			
13.	Excise license for Compounding/Blending	Maharashtra State Excise Department	March 30, 2022
14.	Excise license for Bottling	Maharashtra State Excise Department	March 30, 2022
15.	Excise License for storing FG	Maharashtra State Excise Department	March 30, 2022
16.	Excise License for sale of IMFL	Maharashtra State Excise Department	March 30, 2022
<i>All units</i>			
17.	Application for registration with CPCB under extended producer responsibility (EPR)	Central Pollution Control Board	April 30, 2021

7. Material approvals expired and yet to be renewed

As of the date of this Draft Red Herring Prospectus, the following material approvals have expired and are yet to be renewed:

S No.	Description	Authority
<i>Batra Breweries & Distilleries, Chandigarh</i>		
1.	Certificate of registration for Verification and Stamping of Weighing and Measuring Instrument	Legal Metrology Department
2.	NOC from fire safety department	Fire Safety Department
<i>Solkit, Udaipur</i>		
3.	NOC from fire safety department	Fire Safety Department
<i>RNP Jodhpur</i>		
4.	Certificate of registration for Verification and Stamping of Weighing and Measuring Instrument	Legal Metrology Department
<i>North-East Bottling</i>		
5.	Factory License	Department of Factories and Boilers
6.	Certificate of registration for Verification and Stamping of Weighing and Measuring Instrument	Legal Metrology Department
<i>ABD Chhindwara</i>		
7.	Factory Plan Approval.	Madhya Pradesh Factory Inspector Office
<i>Batra Breweries, Purkhali</i>		
8.	NOC from Fire Safety Department	Office of Divisional Fire Officer, Punjab

9.	Approvals in relation to Weight & Measures	Legal Metrology
10.	Building completion certificate	Factory Inspector Officer
11.	Stability certificate	Factory Inspector Officer
<i>Lokmangal Mauli Industries, Osmanabad</i>		
12.	Building Completion certificate	Factory Inspector Officer
13.	Labour Welfare Fund Registration certificate	State Labour Department
14.	Water connection registration certificate	State Industrial Development Corporation
<i>ABD Sri Krishna Enterprise, Chittoor</i>		
15.	NOC from Fire Safety Department	Office of Divisional Fire Officer, Andhra Pradesh

8. Material approvals required but not obtained or applied for

As of the date of this Draft Red Herring Prospectus, there are no material approvals required by our Company, which have not been obtained or applied for.

9. Intellectual property rights

Our Company has 527 registered trademarks under various classes including our name and logo, 19 registered copyrights and 17 registered designs. Further, our Company has filed applications for 390 trademarks, which are pending registration at various stages.

For details in relation to our Company's intellectual property rights, see "*Our Business – Intellectual Property*" on page 203.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

- Our Board of Directors has authorised the Offer pursuant to a resolution dated March 31, 2022.
- Our Shareholders have approved and authorised the Fresh Issue by way of a special resolution dated April 1, 2022.
- Our Board and IPO Committee have approved this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges by way of resolutions dated June 23, 2022 and June 27, 2022, respectively.
- Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

Authorisation by the Selling Shareholders

The Selling Shareholders have, severally and not jointly, confirmed and approved their participation in the Offer for Sale in relation to their respective portion of Offered Shares as follows:

Sr. no.	Name of Selling Shareholder	Number of Equity Shares offered in the Offer for Sale / Amount	Date of consent letters
1.	Bina Kishore Chhabria	Up to [●] Equity Shares aggregating up to ₹ 5,000 million	June 22, 2022
2.	Resham Chhabria Jeetendra Hemdev	Up to [●] Equity Shares aggregating up to ₹ 2,500 million	June 22, 2022
3.	Neesha Kishore Chhabria	Up to [●] Equity Shares aggregating up to ₹ 2,500 million	June 22, 2022

For details, see “*The Offer*” on page 76.

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of our Equity Shares pursuant to letters, dated [●] and [●], respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Selling Shareholders, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company and persons in control of our Promoters, have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters, Selling Shareholders or Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

Each Selling Shareholder, severally and not jointly, confirms that it has not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters and the members of the Promoter Group and the Selling Shareholders (to the extent applicable), severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable.

Directors associated with the securities market in any manner

None of our Directors are associated with the securities market.

There have been no outstanding actions initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, as disclosed below.

- Our Company has net tangible assets of at least ₹ 30 million, calculated on a restated consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% of the net tangible assets are held as monetary assets.
- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years.
- Our Company has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each), calculated on a restated consolidated basis.
- Our Company has not changed its name in the last one year other than for deletion of the word “private” consequent to the conversion from a private limited company to a public limited company.

Our Company’s net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profit and net worth derived from the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus as at, and for the three immediately preceding Financial Years are disclosed below.

Derived from the Restated Consolidated Financial Information

(₹ in million)

Particulars	As at		
	31 March 2021	31 March 2020	31 March 2019
Net tangible assets (a)	1,825.18	1,757.12	939.00
operating profits (b)	1,352.19	1,640.73	2,095.36
Net worth (c)	3,817.82	3,796.19	2,918.17
Monetary assets (d)	434.89	722.82	189.42
Monetary assets, as a % of net tangible assets (d) / (a)	23.83%	41.14%	20.17%

- “Net tangible assets” have been computed as: sum of total assets reduced by total liabilities (excluding lease liabilities) to arrive at net assets. Net assets is reduced by intangible assets, intangible assets under development, right to use asset, goodwill and deferred tax assets (net) to arrive at net tangible assets*
- “Operating profit” is defined as profit before finance costs, other income and tax expense*
- “Net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
- “Monetary assets” represent the sum of cash and cash equivalents, other bank balances, deposits with banks/NBFC (excluding lien) and investments in mutual funds.*

We are currently eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in terms of Regulation 32(1) of the SEBI ICDR Regulations we are required to allocate: (i) not more than 50% of the Net Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively; (ii) not less than 15% of the Net Offer to Non-Institutional Bidders; and (iii) not less than 35% of the Net Offer to RIBs, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Each of the Selling Shareholders has, severally and not jointly, confirmed that it has held its respective portion of Offered Shares in accordance with applicable law, and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

Further, in accordance with the conditions specified in Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees in the Offer shall be not less than 1,000 failing which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to undertake the Offer, in terms of Regulations 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable.

The details of compliance with Regulations 5 and 7(1) of the SEBI ICDR Regulations are as follows:

- None of our Company, our Selling Shareholders, our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- None of our Company, our Promoters or Directors is a Wilful Defaulter or a Fraudulent Borrower (as defined in the SEBI ICDR Regulations).
- None of our Company, our Promoters or Directors have been declared as ‘fraudulent borrowers’ by the leading

banks or financial institution or consortium, in terms of the RBI master circular dated July 1, 2016.

- (e) None of our Promoters or Directors has been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018).
- (f) There are no convertible securities, including any outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.
- (g) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, ICICI SECURITIES LIMITED, AXIS CAPITAL LIMITED, JM FINANCIAL LIMITED, KOTAK MAHINDRA CAPITAL COMPANY LIMITED AND EQUIRUS CAPITAL PRIVATE LIMITED CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 27, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the Registrar of Companies in terms of sections 26, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, our Directors, our Promoters, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Promoters, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our

Company's website www.abdindia.com or the respective website of any of our Subsidiaries or Group Companies or members of the Promoter Group and affiliates (each as applicable) would be doing so at his or her own risk. The Selling Shareholders, their respective directors, affiliates, associates, and officers, as applicable, accept no responsibility for any statements made in this Draft Red Herring Prospectus other than those statements or undertakings specifically made or confirmed by such Selling Shareholders in relation to themselves and their respective portion of the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement.

All information shall be made available by our Company, Selling Shareholders and the BRLMs to the Bidders and the public at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriters and each of their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders and the Underwriters and each of their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, its Subsidiaries, the Selling Shareholders and its respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Subsidiaries, the Selling Shareholders, their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

The Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, NBFC-SIs and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, FVCIs (under Schedule I of the FEMA Non-debt Instruments Rules), and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to subscribe or purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Draft Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. Any person who possesses this Draft Red Herring Prospectus is required to keep themselves informed and observe and comply with to the extent applicable, any restrictions under the applicable legal requirements of any jurisdiction. **No person outside India is eligible to bid for**

Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date. Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act if such an offer for sale is made otherwise than in compliance with the available exemptions from registration under the U.S. Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;
4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged

- or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;
6. the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any such Equity Shares;
 7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
 8. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
 9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:
THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.
 10. Our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
 11. the purchaser acknowledges that our Company, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with our Company and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;
7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
10. the purchaser acknowledges that our Company, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

European Economic Area

In relation to each European Economic Area State that has implemented the Prospectus Directive (Directive 2003/71/EC) and amendments thereto, including Directive 2010/73/EU and to the extent applicable, Prospectus

Regulation (EU) 2017/1129 (each, a “**Relevant Member State**”), an offer to the public of any Equity Shares may be made at any time under the following exemptions under the Prospectus Regulations, if they have been implemented in that Relevant Member State:

- a. to any legal entity which is a qualified investor as defined under the Prospectus Regulations;
 - b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Directive), subject to obtaining the prior consent of the BRLMs; or
 - c. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer of Equity Shares shall result in a requirement for our Company or any BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 23 of the Prospectus Directive.

For the purposes of this paragraph, the expression an “offer to the public” in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression “Prospectus Directive” means Regulation (EU) 2017/1129.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority or is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

- (a) to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of BRLMs for any such offer; or
- (c) in any other circumstances falling within Section 86 of the FSMA.

Provided that no such offer of Equity Shares shall result in a requirement for our Company or any BRLM to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares offered pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to BSE and NSE for obtaining their permission for the listing and trading of the Equity Shares.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within six Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed. Each of the Selling Shareholders, severally and not jointly, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, as prescribed under applicable law. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of their portion of the Offered Shares.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Statutory Auditor, the Independent Chartered Accountant, Independent Chartered Engineer, legal counsel to our Company and Selling Shareholders as to Indian law, legal counsel to the Book Running Lead Managers as to Indian law, Banker to our Company, international legal counsel to the Book Running Lead Managers, the Book Running Lead Managers, the Registrar to the Offer, and Technopak have been obtained; and consents in writing of the Syndicate Members, Public Offer Account Bank, Sponsor Banks, Escrow Collection Bank(s) and Refund Bank(s), and Monitoring Agency to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC. Further, consents received prior to filing of this Draft Red Herring Prospectus have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus with SEBI

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated June 24, 2022 from Walker Chandiook & Co LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated June 13, 2022 on our Restated Consolidated Financial Information, and (ii) their report dated June 24 on the Statement of Possible Special Tax Benefits, available to the Company and the Shareholders, in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

In addition, our Company has received written consent dated June 27, 2022 from S D T & Co., Chartered Accountants, to include its name as an independent chartered accountant under Section 26 of the Companies Act and as an “expert” as defined under Section 2(38) of the Companies Act.

Our Company has received written consent dated June 23, 2022 from Sunil Bhor & Associates, Chartered Engineer to include his name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in his capacity as independent chartered engineer in relation to her/his certificate dated June 23, 2022.

However, the term ‘expert’ shall not be construed to mean an ‘expert’ as defined under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Other than as disclosed in “*Capital Structure*” on page 95, our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis objects – Last issue of subsidiaries and promoters

As on the date of this Draft Red Herring Prospectus, our Corporate Promoters and Subsidiaries are not listed.

Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by our Company

Other than as disclosed in “*Capital Structure*” on page 95, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Capital issue during the previous three years by listed subsidiaries, group companies or associates of our Company

Our Company does not have any listed subsidiaries, group companies or associates, as on the date of this Draft Red Herring Prospectus.

Price information of past issues handled by the BRLMs

Price information disclosed below is as per the respective designated stock exchanges as disclosed by the respective issuers at the time of their respective issues.

A. ICICI Securities Limited

1. Price information of past issues handled by ICICI Securities Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, +/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180 th calendar days from listing
1	Star Health and Allied Insurance Company Limited ^{^^}	60,186.84	900.00 ⁽¹⁾	10-DEC-21	845.00	-14.78%, [+1.72%]	-29.79%, [-6.66%]	-22.21%, [-6.25%]
2	Shriram Properties Limited ^{^^}	6,000.00	118.00 ⁽²⁾	20-DEC-21	90.00	-12.42%, [+9.02%]	-33.39%, [+4.05%]	-46.69%, [-7.95%]
3	Metro Brands Limited [^]	13,675.05	500.00	22-DEC-21	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	+7.93%, [-9.78%]
4	Supriya Lifescience Limited [^]	7,000.00	274.00	28-DEC-21	425.00	+78.61%, [-0.07%]	+72.12%, [-0.92%]	+20.36%, [-8.93%]
5	AGS Transact Technologies Limited [^]	6,800.00	175.00	31-JAN-22	176.00	-42.97%, [-3.05%]	-28.63%, [-1.64%]	NA*
6	Adani Wilmar Limited ^{^^}	36,000.00	230.00 ⁽³⁾	08-FEB-22	227.00	+48.00%, [-5.34%]	+180.96%, [-4.95%]	NA*
7	Vedant Fashions Limited ^{^^}	31,491.95	866.00	16-FEB-22	935.00	+3.99%, [-0.20%]	+14.53%, [-8.54%]	NA*
8	Life Insurance Corporation of India [^]	2,05,572.31	949.00 ⁽⁴⁾	17-MAY-22	867.20	-27.24%, [-3.27%]	NA*	NA*
9	Prudent Corporate Advisory Services Limited [^]	4,282.84	630.00 ⁽⁵⁾	20-MAY-22	660.00	-20.71%, [-5.46%]	NA*	NA*
10	Paradeep Phosphates Limited [^]	15,017.31	42.00	27-MAY-22	43.55	-10.24%, [-3.93%]	NA*	NA*

*Data not available.

[^]BSE as designated stock exchange

^{^^}NSE as designated stock exchange

(1) Discount of Rs. 80 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 900.00 per equity share.

(2) Discount of Rs. 11 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 118.00 per equity share.

(3) Discount of Rs. 21 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 230.00 per equity share.

(4) Discount of Rs. 45 per equity share offered to eligible employees and Retail Individual Bidders. Discount of Rs. 60 per equity share offered to eligible policyholders. All calculations are based on Issue Price of Rs. 949.00 per equity share

(5) Discount of Rs. 59 per equity share offered to eligible employees. All calculations are based on Issue Price of Rs. 630.00 per equity share.

2. Summary statement of price information of past issues handled by ICICI Securities Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23*	3	2,24,872.46	-	1	2	-	-	-	-	-	-	-	-	-

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2021-22	26	7,43,520.19	-	3	6	6	4	7	2	4	5	4	3	5
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2

* This data covers issues up to YTD

Notes:

1. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective Issuer Company.
2. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the previous trading day

B. Axis Capital Limited

1. Price information of past issues handled by Axis Capital Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue name	Issue size (millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Paradeep Phosphates Limited ⁽¹⁾	15,017.31	42.00	27-May-22	43.55	-10.24%, [-3.93%]	-	-
2	Prudent Corporate Advisory Services Limited ^{^(1)}	4,282.84	630.00	20-May-22	660.00	-20.71%, [-5.46%]	-	-
3	Life Insurance Corporation Of India ^{@(1)}	205,572.31	949.00	17-May-22	867.20	-27.24%, [-3.27%]	-	-
4	Vedant Fashions Limited ⁽²⁾	31,491.95	866.00	16-Feb-22	935.00	+3.99%, [-0.20%]	+14.53%, [-8.54%]	-
5	CMS Info Systems Limited ⁽¹⁾	11,000.00	216.00	31-Dec-21	218.50	+21.99%, [-1.81%]	+25.35%, [+0.74%]	-
6	Supriya Lifescience Limited ⁽¹⁾	7,000.00	274.00	28-Dec-21	425.00	+78.61%, [-0.07%]	+72.12%, [-0.92%]	+20.36%, [-8.93%]
7	Medplus Health Services Limited ^{*(1)}	13,982.95	796.00	23-Dec-21	1,015.00	+53.22%, [+3.00%]	+23.06%, [+1.18%]	-6.55%, [-9.98%]
8	Metro Brands Limited ⁽¹⁾	13,675.05	500.00	22-Dec-21	436.00	+21.77%, [+4.45%]	+14.57%, [+0.64%]	+7.93%, [-9.78%]
9	C.E. Info Systems Limited ⁽¹⁾	10,396.06	1,033.00	21-Dec-21	1,581.00	+70.21%, [+6.71%]	+48.48%, [+2.74%]	+21.40%, [-8.80%]
10	Shriram Properties Limited ^{§(2)}	6,000.00	118.00	20-Dec-21	90.00	-12.42%, [+9.02%]	-33.39%, [+4.05%]	-46.69%, [-7.95%]

Source: www.nseindia.com and www.bseindia.com

⁽¹⁾BSE as Designated Stock Exchange

⁽²⁾NSE as Designated Stock Exchange

[^] Offer Price was ₹ 571.00 per equity share to Eligible Employees

[@] Offer Price was ₹ 904.00 per equity share to Retail Individual Bidders and Eligible Employees and ₹ 889.00 per equity share to Eligible Policyholders

^{*} Offer Price was ₹ 718.00 per equity share to Eligible Employees

[§] Offer Price was ₹ 107.00 per equity share to Eligible Employees

Notes:

a. Issue Size derived from Prospectus/final post issue reports, as available.

b. The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

c. Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.

d. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.

e. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues handled by Axis Capital Limited:

Financial Year	Total no. of IPOs	Total funds raised (in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023*	3	224,872.46	-	1	2	-	-	-	-	-	-	-	-	-
2021-2022	25	609,514.77	-	2	6	6	5	6	3	4	3	5	2	6
2020-2021	11	93,028.90	-	-	6	2	1	2	-	1	1	4	3	2

* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. JM Financial Limited

1. Price information of past issues handled by JM Financial Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue name	Issue Size (million)	Issue price ()	Listing Date	Opening price on Listing Date (in `)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing
1.	Paredeep Phosphates Limited [#]	15,017.31	42.00	May 27, 2022	43.55	-10.24% [-3.93%]	Not Applicable	Not Applicable
2.	Life Insurance Corporation of India ^{#8}	205,572.31	949.00	May 17, 2022	867.20	-27.24% [-3.27%]	Not Applicable	Not Applicable
3.	Campus Activewear Limited ^{*7}	13,997.70	292.00	May 05, 2022	360.00	11.92% [0.70%]	Not Applicable	Not Applicable
4.	AGS Transact Technologies Limited [#]	6,800.00	175.00	January 31, 2022	176.00	-42.97% [-3.05%]	-28.63% [-1.64%]	Not Applicable
5.	CMS Info Systems Limited [#]	11,000.00	216.00	December 31, 2021	218.50	21.99% [-1.81%]	25.35% [0.74%]	Not Applicable
6.	Data Patterns (India) Limited [*]	5,882.24	585.00	December 24, 2021	856.05	29.70% [3.61%]	13.56% [1.42%]	14.16%[-8.03%]
7.	C.E. Info Systems Limited [#]	10,396.06	1,033.00	December 21, 2021	1,581.00	70.21% [6.71%]	48.48% [2.74%]	21.40%[-8.80%]
8.	Tega Industries Limited [*]	6,192.27	453.00	December 13, 2021	760.00	30.70% [3.96%]	1.02% [-4.25%]	3.39% [-6.66%]
9.	Go Fashion (India) Limited [*]	10,136.09	690.00	November 30, 2021	1,310.00	59.75% [1.36%]	32.91% [-1.91%]	48.90% [-3.71%]
10.	Sapphire Foods India Limited [*]	20,732.53	1,180.00	November 18, 2021	1,350.00	3.69% [-4.39%]	20.78% [-2.32%]	-7.85% [-10.82%]

Source: www.nseindia.com and www.bseindia.com

[#] BSE as Designated Stock Exchange

^{*} NSE as Designated Stock Exchange

Notes:

1. Opening price information as disclosed on the website of the Designated Stock Exchange.
2. Change in closing price over the issue/offer price as disclosed on Designated Stock Exchange.
3. For change in closing price over the closing price as on the listing date, the CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
4. In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.
5. 30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.
6. Restricted to last 10 issues.
7. A discount of Rs. 27 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion.
8. A discount of Rs. 45 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion and Retail Individual Investors. A discount of Rs. 60 per Equity Share was offered to Policy holders.
9. Not Applicable - Period not completed

2. Summary statement of price information of past issues handled by JM Financial Limited:

Financial Year	Total no. of IPOs	Total funds raised (` Millions)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023	3	2,34,587.32	-	1	1	-	-	1	-	-	-	-	-	-
2021-2022	17	2,89,814.06	-	1	2	5	5	4	-	2	2	4	3	4
2020-2021	8	62,102.09	-	-	3	2	1	2	-	-	-	5	2	1

D. Kotak Mahindra Capital Company Limited

1. Price information of past issues handled by Kotak Mahindra Capital Company Limited (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Aether Industries Limited	8080.44	642	June 03, 2022	706.15	-	-	-
2.	Delhivery Limited	52,350.00	493 ¹	May 24, 2022	493.00	3.49%[-4.41%]	-	-
3.	Life Insurance Corporation Of India	205,572.31	949 ²	May 17, 2022	867.20	-27.24%[-3.27%]	-	-
4.	Rainbow Children's Medicare Limited	1,580.85	542 ³	May 10, 2022	510.00	-13.84%, [+0.72%]	-	-
5.	Campus Activewear Limited	1399.60	292 ⁴	May 9, 2022	360.00	+11.92%, [+0.70%]	-	-
6.	Vedant Fashions Limited	31,491.95	866	February 16, 2022	935.00	+3.99%, [-0.20%]	+14.53%, [-8.54%]	-
7.	Adani Wilmar Limited	36,000.00	230 ⁵	February 8, 2022	227.00	+48.00%, [-5.34%]	+180.96%, [-4.95%]	-
8.	C.E. Info Systems Limited	10,396.06	1,033	December 21, 2021	1,581.00	+70.21%, [+6.71%]	+48.48%, [-67.85%]	21.40% [-8.80%]
9.	Rategain Travel Technologies Limited	13,357.43	425 ⁶	December 17, 2021	360.00	+11.99%, [+7.48%]	- 31.08%, [-0.06%]	-35.24%[-7.38%]
10.	Star Health And Allied Insurance Company Limited	64,004.39	900 ⁷	December 10, 2021	845.00	-14.78%, [+1.72%]	- 29.79%, [-6.66%]	-22.21%, [-6.25%]

Source: www.nseindia.com; www.bseindia.com

Notes:

1. In Delhivery Limited, the issue price to eligible employees was ₹ 468 after a discount of ₹ 25 per equity share
2. In Life Insurance Corporation of India, the issue price to retail investors and eligible employees was ₹ 904 after a discount of ₹ 45 per equity share and the issue price to eligible policyholders was ₹ 889 after a discount of ₹ 60 per equity share
3. In Rainbow Children's Medicare Limited, the issue price to eligible employees was ₹ 522 after a discount of ₹ 20 per equity share
4. In Campus Activewear Limited, the issue price to eligible employees was ₹ 265 after a discount of ₹ 27 per equity share
5. In Adani Wilmar Limited, the issue price to eligible employees was ₹ 209 after a discount of ₹ 21 per equity share
6. In Rategain Travel Technologies Limited, the issue price to eligible employees was ₹ 385 after a discount of ₹ 40 per equity share
7. In Star Health And Allied Insurance Company Limited, the issue price to eligible employees was ₹ 820 after a discount of ₹ 80 per equity share
8. In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.
9. The 30th, 90th, 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.
10. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.
11. Restricted to last 10 equity initial public issues.

2. Summary statement of price information of past issues handled by Kotak Mahindra Capital Company Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	5	295,807.24	-	1	1	-	-	2	-	-	-	-	-	-
2021-22	19	624,047.99	-	-	5	5	5	4	1	4	2	7	1	2
2020-21	6	140,143.77	-	-	1	2	1	2	-	-	-	4	1	1

Notes:

1. The information is as on the date of this Draft Red Herring Prospectus.
2. The information for each of the financial years is based on issues listed during such financial year

E. Equirus Capital Private Limited

1. Price information of past issues handled by Equirus Capital Private Limited (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date	+/- % change in closing price, +/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, +/- % change in closing benchmark]- 180th calendar days from listing
1.	Antony Waste Handling Cell Limited [#]	2,999.85	315.00	January 01,2021	430.00	-10.14% [-3.31%]	-22.57% [+3.43%]	+2.22% [+9.78%]
2.	G R Infraprojects Limited [#]	9,623.34	837.00 ¹	July 19, 2021	1700.00	+90.61% [+6.16%]	+138.67% [+16.65%]	+132.16% [+16.50%]
3.	Rolex Rings Limited [§]	7,310.00	900.00	August 9, 2021	1,250.00	+22.28% [+6.79%]	+31.50% [+10.20%]	+45.24% [+7.74%]
4.	Krsnaa Diagnostics Limited [§]	12,133.35	954.00 ²	August 16, 2021	1,005.55	-9.42% [+4.93%]	-27.73% [+9.30%]	-32.63% [+4.90%]
5.	Anand Rathi Wealth Limited [#]	6,593.75	550.00 ³	December 14, 2021	602.05	+12.38% [+5.22%]	+4.46% [-4.42%]	+19.55% [-6.56%]
6.	Metro Brands Limited [#]	13,675.05	500.00	December 22, 2021	436.00	+21.77% [+4.45%]	+14.57% [+0.64%]	+7.93% [-9.78%]
7.	Prudent Corporate Advisory Services Limited [#]	4,282.84	630.00 ⁴	May 20, 2022	660.00	-20.71% [-5.46%]	N.A.	N.A.

Source: www.bseindia.com and www.nseindia.com for price information and prospectus/basis of allotment for issue details.

Notes:

1. A discount of ₹ 42 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of G R Infraprojects Limited IPO
2. A discount of ₹ 93 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Krsnaa Diagnostics Limited IPO
3. A discount of ₹ 25 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Anand Rathi Wealth Limited IPO
4. A discount of ₹59 per Equity Share was offered to Eligible Employees bidding in the Employee Reservation Portion of Prudent Corporate Advisory Services Limited IPO
5. Price on Designated Stock Exchange of the respective Issuer is considered for all of the above calculations.
6. In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.
7. N.A. (Not Applicable) – Period not completed.
- # The S&P BSE SENSEX is considered as the Benchmark Index
- § The S&P CNX NIFTY is considered as the Benchmark Index

2. Summary statement of price information of past public issues handled by Equirus Capital Private Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2022-2023*	1	4,282.84	-	-	1	-	-	-	-	-	-	-	-	-
2021-2022	5	49,335.49	-	-	1	1	-	3	-	1	-	1	1	2
2020-2021	1	2,999.85	-	-	1	-	-	-	-	-	-	-	-	1

* The information is as on the date of this Offer Document.

The information for each of the financial years is based on issues listed during such financial year.

Track record of past issues handled by the BRLMs

For details regarding the track record of the Book Running Lead Managers, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, along with helpline details of the BRLMs pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see the websites of the Book Running Lead Managers, as set forth in the table below:

S. No	Name of the BRLM	Website
1.	ICICI Securities Limited	www.icicisecurities.com
2.	Axis Capital Limited	www.axiscapital.co.in
3.	JM Financial Limited	www.jmfl.com
4.	Kotak Mahindra Capital Company Limited	www.investmentbank.kotak.com
5.	Equirus Capital Private Limited	www.equirus.com

For further details in relation to the BRLMs, see “*General Information – Book Running Lead Managers*” on page 88.

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, UPI ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Bidders can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode and ASBA Account number (for Bidders other than UPI Bidders using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders using the UPI Mechanism. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, the Refund Circulars and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular no.

SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay.

Our Company, the Selling Shareholders, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any act of the SCSBs, including any default in complying with their obligations under the applicable SEBI ICDR Regulations

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Our Company has not received investor complaints during the period of three years preceding the date of this Draft Red Herring Prospectus, hence no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Disposal of Investor Grievances by our Company

Our Company shall obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/ 2014) dated December 18, 2014 read with the SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2021/642 date October 14, 2021, in relation to redressal of investor grievances through SCORES.

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

Our Company has also constituted a Stakeholders' Relationship Committee, to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders' Relationship Committee, please see "*Our Management*" beginning on page 231.

Our Company has also appointed Ritesh Ramniklal Shah, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information – Company Secretary and Compliance Officer*" beginning on page 85.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Exemption from complying with any provisions of securities laws granted by SEBI

Our Company has not made any application for, and has not received any exemption from complying with any provisions of securities laws, from SEBI.

Other confirmations

No person connected with the Offer, except for fees or commission for services rendered in relation to the Offer, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SEBI Listing Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, any other terms and conditions as may be incorporated in the CAN, Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue of capital and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, statutory and/or regulatory authority while granting their approval for the Offer.

Ranking of the Equity Shares

The Equity Shares being issued and Allotted in the Offer shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including right to receive dividend and voting. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “*Description of Equity Shares and Terms of the Articles of Association*” on page 479.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to Shareholders as per the provisions of the Companies Act, our Memorandum and Articles, the SEBI Listing Regulations and any guidelines or regulations which may be issued by the Government in this regard and any other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*” on pages 271 and 479, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 2. The Floor Price of the Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●] and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites.

The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or ‘e-voting’;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see “*Description of Equity Shares and Terms of the Articles of Association*” on page 479.

Allotment of Equity Shares only in dematerialised form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, and the SEBI Listing Regulations the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated March 13, 2018, amongst our Company, NSDL and the Registrar to the Offer.
- Tripartite agreement dated February 23, 2018, amongst our Company, CDSL and the Registrar to the Offer.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 457.

Employee Discount

Employee discount, if any, may be offered to Eligible Employees bidding in the Employee Reservation Portion respectively. Eligible Employees bidding in the Employee Reservation Portion respectively at a price within the Price Band can make payment at Bid Amount, that is, Bid Amount net of employee discount, if any, as applicable at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion respectively at the Cut-Off Price have to ensure payment at the Cap Price, less employee discount, if any, as applicable, at the time of making a Bid.

Market Lot and Trading Lot

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Offer Procedure*” on page 457.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See “*Offer Structure – Bid/Offer Programme*” on page 453.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the Sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office and at our Corporate Office or with the Registrar and Share transfer agent.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and the Selling Shareholders, to the extent applicable, shall pay interest prescribed under the applicable law. No liability to make any payment of interest shall accrue to any Selling Shareholder unless any delay in making any of the payments hereunder or any delay in obtaining listing and/or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of its portion of the Offered Shares.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the following order:

- (i) In the first instance towards subscription for 90% of the Fresh Issue; and
- (ii) If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made:
 - a. first towards the sale of the Offered Shares being offered by the Selling Shareholders in the Offer for Sale;
 - b. thereafter, towards the balance of the Fresh Issue.

It is clarified that, subject to applicable laws, none of the Selling Shareholders shall be liable to pay any amounts as interest for any delay, unless such default or delay is solely and directly attributable to an act or omission of such Selling Shareholders and to the extent of its portion of the Offered Shares. The Selling Shareholders shall reimburse, in proportion to the respective portion of its Offered Shares, any expenses and interest incurred by our Company on behalf of it for any delays in making refunds as required under the Companies Act and any other applicable law, provided that any Selling Shareholder shall not be responsible or liable for payment and/ or reimbursement of such expenses towards refund or interest thereon for any delay, unless such delay has been caused by any act or omission solely and directly attributable to such Selling Shareholder and in any other case the Company shall take on the responsibility to pay interest. It is clarified that such liability of a Selling Shareholder shall be limited to the extent of its respective portion of the Offered Shares.

In the event of achieving aforesaid minimum subscription, however, in case of under-subscription, if any, in any category would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, the Promoter's Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" beginning on page 95 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Description of Equity Shares and Terms of the Articles of Association*" at page 479.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

Our Company and the Selling Shareholders in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders using the UPI Mechanism, and Eligible Employees to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares, at an Offer Price of ₹ [●] per Equity Share for cash, including a premium of ₹ [●] per Equity Share, aggregating up to ₹ 20,000 million by our Company comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 10,000 million by our Company and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹ 10,000 million by the Selling Shareholders.

The Offer comprises of a Net Offer of up to [●] Equity Shares and Employee Reservation Portion of up to [●] Equity Shares. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and Net Offer shall constitute [●] % and [●] % of the post- Offer paid-up Equity Share capital of our Company, respectively. The face value of the Equity Shares is ₹ 2 each.

Our Company, in consultation with the BRLMs and the Selling Shareholders, may consider undertaking a further issue of Equity Shares or any other securities of the Company, as may be permissible through a preferential issue or any other method as may be permitted in accordance with applicable law to any person(s), for a cash consideration aggregating up to ₹ 2,000 million, between the date of this Draft Red Herring Prospectus till the filing of the Red Herring Prospectus with the RoC, subject to appropriate approvals. The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company in consultation with the BRLMs and Selling Shareholders, and the Pre-IPO Placement will be completed prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the amount raised from the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR.

The Offer is being made through the Book Building Process.

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation ^{*(2)}	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non-Institutional Bidders.
Percentage of Offer Size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●]% of the Offer Size	Not more than 50% of the Net Offer size shall be allocated to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders, subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.2 million and up to ₹ 1.0 million; and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.0 million. provided that the unsubscribed portion in either of the sub-categories specified above	Not less than 35% of the Net Offer, or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
			may be allocated to applicants in the other sub-category of Non-Institutional Bidders.	
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate [#] ; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹ 200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹ 200,000, subject to total Allotment to an Eligible Employee not exceeding ₹ 500,000.	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above Up to 60% of the QIB Portion may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Not less than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and RIBs will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹ 1,000,000. For details, see “Offer Procedure” beginning on page 457.	The allotment to each Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see “Offer Procedure” beginning on page 457.
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹ 500,000 (net of employee discount, if any).	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits prescribed under applicable law.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of allotment	Compulsorily in dematerialised form			
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			

Particulars	Eligible Employees [#]	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Who can apply ⁽³⁾	Eligible Employees (such that the Bid Amount does not exceed ₹ 500,000)	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	<p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾</p> <p>In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Banks through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>			
Mode of Bidding	<p>Only through the ASBA process (except for Anchor Investors).</p> <p>Through ASBA Process only. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. UPI Bidders shall be required to use the UPI Mechanism.</p>			

*Assuming full subscription in the Offer

[#]Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹ 500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Further, an Eligible Employee Bidding in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

Any unsubscribed portion remaining in the Employee Reservation Portion shall be added to the Net Offer. Allotment to an Eligible Employee in the Employee Reservation Portion may not exceed ₹200,000 (net of employee discount, if any) in value. Only in the event of an undersubscription in the Employee Reservation Portion, post the initial Allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000 (net of employee discount, if any) in value.

- ⁽¹⁾ Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see “Offer Procedure” beginning on page 457.
- ⁽²⁾ Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders.
- Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the BRLMs and the Designated Stock Exchange,.. For further details, please see “Terms of the Offer” beginning on page 445.
- ⁽³⁾ In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.
- ⁽⁴⁾ Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN. For details of terms of payment of applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Further, Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.
- ⁽⁵⁾ SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Bids by FPIs with certain structures as described under “Offer Procedure – Bids by FPIs” on page 463 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bid/Offer Programme

BID/ OFFER OPENS ON*	[●]
BID/ OFFER CLOSES ON**	[●]^

*Our Company and the Selling Shareholders, may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.

**Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

^UPI mandate end time and date shall be at 12.00 PM on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account**	[●]

Event	Indicative Date
Credit of the Equity Shares to depository accounts of Allottees	●
Commencement of trading of the Equity Shares on the Stock Exchanges	●

***In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 and SEBI circular dated April 20, 2022 shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.*

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the BRLMs. While our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

- (i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST).
- (ii) on the Bid/Offer Closing Date:
 - (a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and
 - (b) in case of Bids by Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily

basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis, as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/ Offer Opening Date.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

malities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

(iii) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the QIB Portion, the Bids and the revisions in

Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST).

(iv) on the Bid/Offer Closing Date:

- (c) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and
- (d) in case of Bids by Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis, as per the format prescribed in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price, provided that the Cap Price shall be at least 105% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid/ Offer Opening Date.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “**General Information Document**”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) Issuance of CAN and Allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid Form,) designated date, disposal of applications and electronic registration of bids; (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act relating to punishment for fictitious applications; (x) mode of making refunds; (xi) designated date, (xii) interest in case of delay in allotment or refund; and (xiii) disposal of application.

SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“**UPI Phase III**”), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“**March 16, 2021**”) has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular and the provisions of this circular, are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. The Book Running Lead Managers shall be the nodal entity for any issues arising out of public issuance process.

Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Further, our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and Selling Shareholders, in consultation with and the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders, of which one-third shall be available for allocation to Bidders with an application size more than ₹ 0.2 million to ₹ 1 million and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1 million in accordance with the SEBI ICDR Regulations, and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. In case of an undersubscription in the Net Offer, the Equity Shares proposed for sale by the Selling Shareholders shall be in proportion to the Offered Shares by such Selling Shareholders.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the IPO, subject to applicable law.

Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019. Under this phase, submission of the ASBA Form without UPI by UPI Bidders to Designated Intermediaries (other than SCSBs) for blocking of funds will be

discontinued. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022 (the “**UPI Streamlining Circular**”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post – Offer Book Running Lead Managers will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. NPCI *vide* circular reference no. NPCI/UPI/OC No. 127/2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from ₹200,000 and up to ₹500,000 for UPI based Application Supported by Blocked Amount (ASBA) in initial public offerings. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 500,000, shall use UPI. Eligible Employees bidding under Employee Reservation Portion for up to ₹ 500,000 and individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Managers.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the ASBA Form will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the Book Running Lead Managers.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (including UPI Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs, NIBs and Eligible Employees (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.(iii) QIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White

*Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the Book Running Lead Managers.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For RIBs, NIIs or Eligible Employees using UPI Mechanism, the Stock Exchanges shall share the Bid details (including

UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to the UPI Bidders, for blocking of funds. For ASBA Forms (other than RIBs and Eligible Employees bidding in the Employee Reservation Portion) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to the UPI Bidders, who shall accept the UPI mandate request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI mandate requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders using the UPI Mechanism should accept UPI mandate requests for blocking off funds prior to the Cut-Off Time and all pending UPI mandate requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2022/51) dated April 20, 2022.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

Participation by Promoters and member of the Promoter Group of the Company, the Book Running Lead Managers and the Syndicate Members and persons related to Promoter/Promoter Group/the Book Running Lead Managers

The Book Running Lead Managers and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. The allocation under the QIB Portion shall be made on a proportionate basis. Further, the allocation to each Non Institutional Investor shall not be less than ₹ 200,000, subject to availability of Equity Shares in the Non Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. All categories of investors, including associates or affiliates of the Book Running Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the Book Running Lead Managers or any associates of the Book Running Lead Managers (except Mutual Funds sponsored by entities which are associates of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the Book Running Lead Managers) nor; (ii) any “person related to the Promoter / Promoter Group” shall apply in the Offer under the Anchor Investor Portion.

For the purposes of the above, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the Book Running Lead Managers, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the Book Running Lead Managers.

The Promoters and the members of the Promoter Group, except to the extent of their respective Offered Shares, will not participate in the Offer.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserves the right to reject any Bid without assigning any reason thereof, subject to applicable laws.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non-Resident Ordinary (“NRO”) accounts or confirm or accept the UPI mandate request (in case of UPI Bidders, using the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation by Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the

aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see “*Restrictions on Foreign Ownership of Indian Securities* on page 477.

Bids by HUFs

Hindu Undivided Families or HUFs, are required to be made in the individual name of the *karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. On a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, in terms of the FEMA Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar to the Offer shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, *inter alia*, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by FPIs submitted under the multiple investment managers structure with the same PAN but with different beneficiary account numbers, Client ID and DP ID may not be treated as multiple Bids.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

Further, Bids received from FPIs bearing the same PAN will be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure “**MIM Structure**”) provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids will be rejected.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offering.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. The holding in any company by any individual FVCI or VCF registered with SEBI should not exceed 25% of the corpus of the FVCI or VCF. An FVCI or VCF can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of AIFs, VCFs and FVCIs shall also be subject to the FEMA Rules.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form, failing this, our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form, failing this, our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10%* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

**The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form, failing this, our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form, failing this, our Company and Selling Shareholders, in consultation with the Book Running Lead Managers reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company and Selling Shareholders, in consultation with the Book Running Lead Managers may deem fit.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net

worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000 (which will be less Employee Discount, if any). Allotment in the Employee Reservation Portion will be as detailed in the section “*Offer Structure*” beginning on page 450.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form.
- Only Eligible Employees (excluding such persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the Sole/ First Bidder shall be an Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Offer Price, net of Employee Discount, if any would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.
- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion (subject to complying with the eligibility criteria and applicable limits) and/or in the Retail Portion shall not be treated as multiple Bids.

Any unsubscribed portion remaining in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion, subject to applicable law.

Bids by Anchor Investors

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

- 1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.

- 5) Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum allotment of ₹50 million per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the Book Running Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked –in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
- 10) Neither (a) the Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus and the Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid. In relation to electronic

registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
8. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
10. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;

12. UPI Bidders bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
14. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
17. Ensure that the Demographic Details are updated, true and correct in all respects;
18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
19. Ensure that the category and the investor status is indicated;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
21. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
22. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
23. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the mobile application and the UPI handle being used for making the application in the Offer is also appearing in the

“list of mobile applications for using UPI in public issues” displayed on the SEBI website and is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;

24. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidders’ ASBA Account;
25. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
26. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of such bidders in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks to block the Bid Amount mentioned in the Bid Cum Application Form;
27. Ensure that Anchor Investors submit their Bid cum Application Forms only to the Book Running Lead Managers;
28. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
29. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and
30. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at www.sebi.gov.in).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account.
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
10. If you are an UPI Bidder and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
11. Anchor Investors should not Bid through the ASBA process;
12. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
13. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
14. Do not submit the General Index Register (GIR) number instead of the PAN;
15. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
18. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
19. Do not submit a Bid using UPI ID, if you are not a (i) RIB, (ii) or individual investors bidding under the Non-Institutional Portion for an amount of more than ₹ 200,000 and up to ₹500,000, (iii) or are an Eligible Employee;
20. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
21. If you are a QIB, do not submit your Bid after 3:00 pm on the QIB Bid/Offer Closing Date;
22. Do not Bid on another ASBA Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
23. Do not Bid for Equity Shares in excess of what is specified for each category;
24. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;

25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
27. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
28. Do not Bid if you are an OCB;
29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
30. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
31. Do not submit a Bid cum Application Form with a third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders using the UPI Mechanism); and
32. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For further details of Company Secretary and Compliance Officer, see “*General Information*” on page 85.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Further, for helpline details of the Book Running Lead Managers pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 see, “*General Information–Book Running Lead Managers*” beginning on page 86.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Book Running Lead Managers and the Registrar to the Offer, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Offer Document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Bidders, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders and the Non-Institutional Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion, and the Non-Institutional Bidders and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders of which one-third shall be available for allocation to Bidders with an application size more than ₹ 200,000 to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 in accordance with the SEBI ICDR Regulations.

Payment into Escrow Account(s) for Anchor Investors

Our Company and Selling Shareholders, in consultation with the Book Running Lead Managers, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) [●] editions of [●], a widely circulated English national daily newspaper; (ii) , in all editions of [●], a Hindi national daily newspaper; and (iii) [●] editions of [●], a Marathi national daily newspaper (Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

The above information is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) [●] editions of [●], a widely circulated English national daily newspaper; (ii) in all editions of [●], a Hindi national daily newspaper; and (iii) [●] editions of [●], a Marathi national daily newspaper (Marathi also being the regional language of Maharashtra, where our Registered and Corporate Office is located) , each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price but prior to the filing of Prospectus.
- (b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in

accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within the period prescribed by SEBI;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly; and

- that if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer.

Undertakings by the Selling Shareholders

Each of the Selling Shareholders severally and jointly undertake that:

- the Equity Shares offered for sale by the Selling Shareholders are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations, are fully paid-up and are in dematerialised form;
- it shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to the Bidder for making a Bid in the Offer, and shall not make any payment, direct or indirect, in the nature of discounts, commission, allowance or otherwise to any person who makes a Bid in the Offer;
- it is the legal and beneficial owner of, and has clear and marketable title to, the Equity Shares which are offered by it pursuant to the Offer for Sale; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final approval for trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

Utilisation of Offer Proceeds

Our Company and the Selling Shareholders, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

Further, details of all utilised monies out of the Fresh Issue shall be disclosed, and continued to be disclosed till any part of the Offer proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised or invested.

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (“Consolidated FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA NDI Rules, any investment, subscription, purchase or sale of equity instruments by entities, investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India.

In terms of the FEMA NDI Rules and the FDI Policy, up to 100% foreign investment is currently permitted under the automatic route in our Company. With effect from April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company. Each Bidder should seek independent legal advice about its ability to participate in the Offer and in our Company. In the event a prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/ Offer Period.

Given that more than 50% of our Company’s Equity Share capital is owned by resident Indian citizens and our Company is controlled by resident Indian citizens, our Company is a “company owned by resident Indian citizens” and a “company controlled by resident Indian citizens” within the meaning the FEMA Rules and the FDI Policy. Consequently, no investment made by our Company into our Subsidiaries is deemed to be ‘indirect foreign investment’ within the meaning of the FEMA Rules and the FDI Policy, and the FEMA Rules and FDI Policy are not applicable to our Subsidiaries or our Company’s investment into our Subsidiaries.

Any change in our Company’s shareholding or control, as a result of which our Company ceases to be a “company owned by resident Indian citizens” or a “company controlled by resident Indian citizens”, within the meaning of the FEMA Rules and FDI Policy could have an adverse impact on our business and financial condition, and on our Company’s investment in its subsidiaries.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” on page 462 and 463, respectively.

For further details, please see “*Risk Factors – External Risk Factors – 83. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares*” on page 72 of this Draft Red herring Prospectus.

As per the existing policy of the Government, OCBs cannot participate in the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

The following Regulations comprised in these Articles of Association were adopted pursuant to Special Resolution passed at the Extraordinary General Meeting of the Company held on 04th June 2022 in substitution for, and to the entire exclusion of the earlier regulations comprised in the extant Articles of Association of the Company.

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION

OF

ALLIED BLENDERS AND DISTILLERS LIMITED

The Articles of Association of the Company comprises of two parts, Part A and Part B, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part A and Part B, the provisions of Part B shall prevail over Part A of these Articles, subject to applicable laws. However, Part B shall automatically terminate and cease to have any force and effect from the date of listing of Equity Shares of the Company on a recognised Stock Exchange in India, pursuant to an initial public offering (“**IPO**”) of the Equity Shares of the Company without any further action including any corporate action by the Company or by the shareholders.

PART – A

1. The regulations contained in Table F, in the Schedule I to the Companies Act, 2013 or in the Schedule, to any previous Companies Act, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. Table ‘F’ not to apply
2.
 - a. The Regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration or modification or addition to its Regulations in the manner prescribed under the Companies Act, 2013, shall be such as are contained in these Articles.
 - b. These Regulations shall be binding on both the Company and the Members and every Member shall be deemed to have joined the Company on the foregoing basis.
3. The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context; Interpretation
 - i. “**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any Previous Company Law, so far as may be applicable, including Rules.
 - ii. “**Articles**” means the Articles of Association of the Company for the time being in force or as altered from time to time.
 - iii. “**Article**” or “**Regulation**” unless the context otherwise requires, means the Article or Regulation comprised in these Articles.

- iv. **“Alter”** and **“Alteration”** shall include the making of additions, modifications, deletions and substitutions.
- v. **“Annual General Meeting”** means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.
- vi. **“Associate Company”** in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company. For the purposes of this definition,
 - (a) **“significant influence”** means Control of at least twenty percent of total share capital, or of business decisions under an agreement;
 - (b) **“joint venture”** means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- vii. **“Auditors”** means and includes those persons appointed as such for the time being of the Company in terms of the Act.
- viii. **“Bina Chhabria Enterprises Private Limited** or **“BCEPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U45200MH2009PTC194129
- ix. **“BKC”** means Bina Kishore Chhabria (DIN: 00243376) wife of Kishore Rajaram Chhabria.
- x. BKC Enterprises Private Limited or **“BKCEPL”** means a company incorporated under the provisions of the Companies Act, 2013 having CIN: U70109MH2018PTC314612
- xi. **“Board of Directors”** or **“Board”** in relation to the Company, means the collective body of the Directors of the Company or any Committee of the Board duly constituted in terms of these Articles and the applicable provisions of the Act;
- xii. **“Body Corporate”** or **“Corporation”** includes a company incorporated outside India, but does not include—
 - a. a co-operative society registered under any law relating to co-operative societies; and
 - b. any other Body Corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.
- xiii. **“Book and Paper”** and **“Book or Paper”** include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.
- xiv. **“Books of Accounts”** includes records maintained in respect of—
 - a. all sums of money received and expended by the Company and matters in relation to which the receipts and expenditure take place;
 - b. all sales and purchases of goods and services by the Company;
 - c. the assets and liabilities of the Company; and

- d. the items of cost as may be prescribed under Section 148 in the case of the Company which belongs to any class of companies specified under that section.
- xv. **“Capital”** means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- xvi. **“Chairman”** or **“Chairperson”** shall mean such person as is nominated or appointed in accordance with Article 99(a) (Chairperson of the Board)) herein below.
- xvii. **“Charge”** means an interest or lien created on the property or assets of the Company or any of its undertakings or both as security and includes a mortgage
- xviii. **“Chhabria Group”** means and includes KRC, BKC, NKC, RCJH, BCEPL, OCSPL, ORPL and BKCEPL collectively, who are the “Promoters” of the Company (as defined under Regulation 2(1)(pp) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
- xix. **“Chief Financial Officer”** means a person appointed as the Chief Financial Officer of the Company.
- xx. **“Control”** shall include the right to appoint a majority of the Directors or to control the management or policy decisions of the Company, exercisable by a person or persons acting individually or jointly or in concert, directly or indirectly, including by virtue of their shareholding or management rights or members agreements or voting agreements or in any other manner and the terms **“Controlled”** and **“Controlling”** shall be construed accordingly.
- xxi. **“Court”** means—
 - a. the High Court having jurisdiction in relation to the place at which the registered office of the Company is situate, except to the extent to which jurisdiction has been conferred on any district Court or district Courts subordinate to that High Court under (b) hereinafter;
 - b. the district court, in cases where the Central Government has, by notification, empowered any district Court to exercise all or any of the jurisdictions conferred upon the High Court, within the scope of its jurisdiction in respect of the Company whose registered office is situate in the district;
 - c. the Court of Session having jurisdiction to try any offence under this Act or under any Previous Company Law;
 - d. the Special Court established under Section 435 of the Act;
 - e. any Metropolitan Magistrate or a Judicial Magistrate of the First Class having jurisdiction to try any offence under this Act or under any Previous Company Law;
- xxii. **“Debenture”** includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a Charge on the assets of the Company or not;
- xxiii. **“Directors”** means a director appointed to the Board of the Company.
- xxiv. **“Dividend”** includes any interim Dividend.

- xxv. **“Document”** includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.
- xxvi. **“Executor”** or **“Administrator”** means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.
- xxvii. **“Extraordinary General Meeting”** means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.
- xxviii. **“Financial Statement”** in relation to the Company, includes—
- a. a balance sheet as at the end of the Financial Year;
 - b. a profit and loss account for the Financial Year;
 - c. cash flow statement for the Financial Year;
 - d. a statement of changes in equity, if applicable; and
 - e. any explanatory note annexed to, or forming part of, any document referred to in (a) to (d) above.
- xxix. **“Financial Year”** in relation to the Company shall mean any fiscal year of the Company beginning on 1st day of April of every calendar year and ending on the 31st day of March of the following calendar year.
- xxx. **“General Meeting”** means a meeting of Members.
- xxxi. **“In Writing”** and **“Written”** includes printing lithography and other modes of representing or reproducing words in a visible form and shall include email, and any other form of electronic transmission
- xxxii. **“Key Managerial Personnel”** means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; Wholetime Director; Chief Financial Officer; such other Officer, not more than one level below the Directors who is in whole-time employment of the Company, designated as Key Managerial Personnel by the Board and such other Officer as may be notified from time to time in the Act and the Rules.
- xxxiii. **“KRC” (DIN: 00243244)** means Mr. Kishore Rajaram Chhabria son of Late Mr. Rajaram Chhabria.
- xxxiv. **“Legal Representative”** means a person who in law represents the estate of a deceased Member.
- xxxv. **“Manager”** means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes any Director or any other person occupying the position of a Manager, by whatever name called, whether under a contract

of service or not.

- xxxvi. **“Managing Director”** means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.
- xxxvii. **“Members”** means the duly registered holders, for the time being of the Shares of the Company and in case of Shares held in dematerialized form such persons whose name is entered as a beneficial owner in the records of a depository.
- xxviii. **“Month”** means a calendar month.
- xxix. **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- xl. **“NKC” (DIN: 01498718)** means Mrs. Neesha Kishore Chhabria, daughter of Kishore Rajaram Chhabria
- li. **“Officer’s Choice Spirits Private Limited” or “OCSPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U15500MH2005PTC153854.
- lii. **“Office”** means the Registered Office for the time being of the Company.
- xliii. **“Officer”** includes any Director, Manager or Key Managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.
- xliv. **“Ordinary Resolution”** and **“Special Resolution”** shall have the meanings assigned thereto by Section 114 of the Act.
- xlv. **“Paid-up”** in relation to shares includes credited as paid-up.
- xlvi. **“Oriental Radios Private Limited” or “ORPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U32200MH1938PTC002773
- xlvii. **“Person(s)”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal identity).
- xlviii. **“Previous Company Law”** means the Companies Act, 1956 (1 of 1956) and any law corresponding to the said Companies Act, 1956 (1 of 1956);
- xlix. **“Proxy”** means an instrument whereby any person is authorized to vote for a member at a General Meeting or poll and includes attorney duly constituted under the power of attorney.
- l. **“RCJH” (DIN: 00030608)** means Mrs. Resham Chhabria Jeetendra Hemdev, wife of Jeetendra Hemdev
- li. **“Relative”** with reference to any person, means anyone who is related to another, if—
 - a. they are members of a hindu undivided family;
 - b. they are husband and wife;

- c. he is the father; including step-father;
- d. she is the mother; including step-mother;
- e. he is the son including step-son;
- f. she is the son's wife;
- g. she is the daughter;
- h. he is the daughter's husband;
- i. he is the brother including step-brother;
- j. she is the sister including step-sister; or
- k. any other person as related to the other in such manner as may be prescribed under the Act;

lii. **“Related Party”**, with reference to the company, means—

- a. Director or his Relative;
- b. Key Managerial Personnel or his Relative;
- c. a firm, in which the Director, Manager or his Relative is a partner;
- d. a private company in which the Director or Manager or his Relative is a member or director;
- e. a public company in which the Director or Manager or his Relative is a director and holds along with his relatives, more than two percent of its paid-up share capital;
- f. any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of the Director or Manager;
- g. any person on whose advice, directions or instructions the Director or Manager is accustomed to act;
- h. any body corporate which is
 - A. a holding, subsidiary or an associate company of the Company.
 - B. a subsidiary of a holding company to which it is also a subsidiary or
 - C. an investing company or the venture of the Company.

Explanation:- For the purpose of this Regulation, “the investing company or the venture of the Company” means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.

- i. any other person as prescribed under the Act.

liii. **“Rules”** means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

liv. **“Seal”** means the Common Seal for the time being of the Company or any other method of authentication of documents, as specified under the Act or amendment thereto.

lv. **“Secretary”** means a company secretary as defined in clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Board of Directors to perform the functions of a company secretary under this Act and is a Key Managerial Person.

- lvi. **“Share”** means a share in the Share Capital of the Company and includes stock.
- lvii. **“Subsidiary”** shall have the same meaning as the term “subsidiary” as defined under Section 2(87) of the Act.
- lviii. **“The Company” or This Company”** means Allied Blenders And Distillers Limited established as aforesaid.
- lix. **“These presents”** means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- lx. **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act and can be kept anywhere in or outside India
- lxi. **“Tribunal”** means the National Company Law Tribunal constituted under Section 408 of the Act.
- lxii. **“Variation”** shall include abrogation; and “vary” shall include abrogate
- lxiii. **“Voting Right”** means the right of a Member of the Company to vote in any meeting of the Company or by means of postal ballot.
- lxiv. **“Whole-Time Director”** includes a Director in the whole-time employment of the Company;
- lxv. **“Year”** means the calendar year and

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Unless the context otherwise requires words and expressions contained in these Articles shall bear the same meaning as in the Act.

- 4. The Company is a ‘Public Company’ within the meaning of Section 2(71) of the Act. Public company

Share Capital and Debenture

- 5. The authorized share capital of the Company shall be as mentioned at Clause V of the Memorandum of Association of the Company. Authorised Capital
- 6. Subject to the provisions of the Act and these Articles, the Shares in the Capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or goods or machinery supplied or to be supplied or for service rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company for the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. Shares under Control of the Board

7. The Share Capital of the Company shall be of two kinds, namely:- Kinds of Share Capital
- a. Equity share capital
 - i. with Voting Rights; or
 - ii. with differential rights as to Dividend, voting or otherwise in accordance with the Act and the Rules; and
 - b. Preference share capital.
8. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and any other applicable provision of the Act or any other law for the time being in force and Rules, the Company may issue Debentures. Debenture
9. Subject to the provisions of the Act and Rules, the Company shall have the power to issue Preference Shares which are, at the option of the Company, liable to be redeemed on or within the expiry of a period of 20 (twenty) years from the date of their issue and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. Redeemable Preference Shares
10. If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act. Variation of Rights
11. A certificate, issued under the Common Seal of the Company, specifying the Shares held by any Person, shall be prima facie evidence of the title of the Person to such Shares. Share Certificate
12.
 - a. Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months from the date of allotment or within one month of the receipt by the Company of application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be, within such other period as the conditions of issue shall be provided:
 - i. one certificate for all his shares without payment of any charges; or
 - ii. several certificates, in marketable lots, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
 - b. Every certificate so issued shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon, and be in the prescribed form, duly signed by two Directors and an authorized person or Company Secretary as the case may be and shall specify the Shares to which it relates and the amount paid-up thereon.
 - c. In respect of any Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
 - d. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.
13. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to

the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (which shall not exceed the maximum amount permitted under applicable law) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Further, no fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the Rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company.

14. Except as ordered by a Court of competent jurisdiction or as by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the depository as the absolute owner thereof and accordingly shall not be bound to recognize (even when having notice thereof) any benami trust or equity, equitable, contingent, future or partial interest in any share, other claim or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the Person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more Persons or the survivor or survivors of them. Company not bound to recognize any interest in share other than that of registered holders.
15. If shares are held in dematerialized mode, the record of the depository will be the prima facie evidence of the interest of the beneficial owner and the provision of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply (except where the Act otherwise requires) to issue of certificates for any other securities including Debentures of the Company.
16. Commission
- a. The Company may exercise the powers of paying commissions conferred by the Act, to any Person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.
 - b. The rate or amount of the commission shall not exceed the rate or amount as prescribed in the Rules.
 - c. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
17. Further issue of capital
- a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder:
 - 1. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
 - i. The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

- ii. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Article 17(a)(1)(i) herein shall contain a statement of this right;
 - iii. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.
- 2. to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the Rules and such conditions, as may be prescribed; or
 - 3. to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in Article 17(a) (1) or 17(a)(2), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed.
- b. The notice referred to in Article 17(a)(1)(i) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.
 - c. Nothing contained herein shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

- d. Notwithstanding anything contained in Article 17(c), where any Debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such Debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

- e. In determining the terms and conditions of conversion under Article 17(d) the Government shall have due regard to the financial position of the Company, the terms of issue of Debentures or loans, as the case may be, the rate of interest payable on such Debentures or loans and such other matters as it may consider necessary.

- f. Where the Government has, by an order made under Article 17(d) directed that any Debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 17(d) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such Debentures or loans or part thereof has been converted into.
 - g. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules made thereunder.
18. a. The Company shall have a first and paramount lien- Lien
- i. on every Share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and
 - ii. on all Shares (not being fully paid shares) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company.
- Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Regulation.
- b. The Company's lien, if any, on a Share shall extend to all Dividends payable and bonuses declared from time to time in respect of such Shares.
 - c. The fully paid-up Shares shall be free from all lien on any account whatsoever and in the case of partly paid up Shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such Shares.
19. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:
- Provided that no sale shall be made-
- a. unless a sum in respect of which the lien exists is presently payable; or
 - b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the Person entitled thereto by reason of his death or insolvency.
20. a. To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof.
- b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - c. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
21. a. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- b. The residue, if any, shall, subject to a like lien for sums not presently payable as existed

upon the shares before the sale, be paid to the Person entitled to the shares at the date of the sale.

22. The provision of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
23. a. The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times; Calls on Shares
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- b. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- c. A call may be revoked or postponed at the discretion of the Board.
24. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
25. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
26. a. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- b. The Board shall be at liberty to waive payment of any such interest wholly or in part.
27. a. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- b. In case of non-payment of such sum, all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
28. a. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance.
29. The provision of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
30. Where two or more Persons are registered as the joint holders (not more than three) of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint-holders with Joint Holders

benefits of survivorship subject to the following and other provisions contained in these Articles:

- a. the joint holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
 - b. on the death of any such joint-holder the survivor or survivors shall be the only Person or Persons recognized by the Company as having any title to the share but the Directors may require such evidence of the death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability in respect of the shares held by him jointly with any other person.
 - c. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
 - d. only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to person shall be deemed service on all the joint- holders.
 - e. If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
 - f. The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.
- 31.
- a. Every holder of Shares of the Company may, at any time, nominate, in the manner prescribed under the Act and the Rules, any Person to whom his shares shall vest in the event of his death. Nomination of Shares and Debentures
 - b. Where the shares of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Act and the Rules prescribed thereunder, any Person to whom all the rights in the securities of the Company shall vest in the event of death of all the joint holders.
 - c. Notwithstanding anything contained in any other provision of law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares of the Company, where a nomination made in the manner prescribed under the Act and the Rules prescribed thereunder, purports to confer on any Person the right to vest the shares of the Company, the nominee shall, on the death of the holder of the shares or, as the case may be, on the death of the joint holders become entitled to all the rights in the shares of the holder or, as the case may be, of all the joint holders, in relation to such shares of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Act and the Rules prescribed thereunder.

- d. Where the nominee is a minor, the holder of the shares, can make the nomination to appoint in prescribed manner under the Act and the Rules prescribed thereunder, any Person to become entitled to the securities of the Company in the event of his death, during the minority.
 - e. The provision of these Articles relating to nomination shall *mutatis mutandis* apply to the other securities including Debentures of the Company.
32. Except as provided in these Articles, no Member shall sell or otherwise transfer or dispose of any shares now owned or hereafter acquired by him in the manner provided herein and unless the conditions contained in these Articles are complied with. General Restriction on Transfer
33. Transfer of shares
- a. There shall be no restrictions whatsoever on the transactions in relation to shares including transfer of shares between any Members or granting of rights or creating an encumbrance on shares by one Member in favour of another Member and subject to the provisions of Section 56 of the Act and the Rules framed thereunder, and of any statutory modification thereof for the time being and the applicable SEBI Regulations shall be duly complied with in respect of all transfers of Shares and the registration thereof. A common form of transfer shall be used in case of transfer of Shares, in accordance with the Act and Rules and the Securities Contracts (Regulation) Rules, 1957, which shall be duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate or certificates relating to the shares or if no certificate is in existence, along with the letter of allotment of the shares. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and shall contain the names of and addresses of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such until the name of the transferee is entered in the register in respect thereof. Each signature of such transfer shall be duly attested by the signature of one creditable witness who shall add his address and occupation.
 - b. The application for registration of a share or other interest of a Member in the Company may be made either by the transferor or the transferee, provided that, where such application is made by the transferor on registration shall in the case of partly paid up shares shall not be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act and the Rules framed thereunder, the Board of Directors, unless the objection is made by the transferee within two weeks from the receipt of the notice, enter in the Register of Members the name of the transferee in the manner and subject to the same conditions as if the application for registration was made by the transferee.
 - c. Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares of the Company.

The Board may in their absolute and uncontrolled discretion and without assigning any reason

there of decline to register the transfer of a share not being fully paid share, to a person of whom they do not approve and any transfer of shares of which the Company has a lien.

34. The Company shall have the right to refuse the transfer of shares to minors except in case of transmission. Shares held by a Minor
35. a. On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or Legal Representatives where he was a sole holder, shall be the only Persons recognised by the Company as having any title to his interest in the shares. Transmission of Shares
- b. Nothing in Article 35(a) above shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other Person(s).
36. a. Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- i. to be registered himself as holder of the share; or
- ii. to make such transfer of the Share as the deceased or insolvent Member could have made.
- b. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
37. a. If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Board of Directors a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- c. All the limitations, restrictions and provisions of these Regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
38. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:
- Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.
39. If a Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. Forfeiture of shares

40. The notice aforesaid shall-
- a. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

41. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

42. a. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- b. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
43. a. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
- b. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
44. a. A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Share;
- b. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the share is sold or disposed of;
- c. The transferee shall thereupon be registered as the holder of the Share; and
- d. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the Share.

45. The provisions of these Regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on

account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

46. Subject to provisions of the Act, the Company in its General Meetings may, by an ordinary resolution- Alteration of Share Capital
- a. increase its authorised capital by such amount as it thinks expedient;
 - b. consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares. Provided that any consolidation and division which results in changes in the voting percentage of shareholders shall require applicable approvals under the Act;
 - c. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - d. sub-divide its shares, or any of them, into shares of smaller amount than fixed by the memorandum, so, however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived, subject to provisions of the Act, Rules and of these Articles;
 - e. cancel Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled.

The cancellation of shares shall not be deemed to be a reduction of Share Capital.

47. The Company may (subject to the provisions of Sections 52, 55 and other applicable provisions, if any, of the Act or any other section as notified) from time to time by Special Resolution reduce: Reduction of Share Capital
- a. the Share Capital; or
 - b. any capital redemption reserve account; or
 - c. any security premium account

in any manner for the time being, authorized by law and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

48. a. The Company in General Meeting may, upon the recommendation of the Board, resolve- Capitalisation of Profits
- i. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - ii. that such sum be accordingly set free for distribution in the manner specified in Article 48(b) below amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in this Article 48(b)(iv) below of this Regulation, either in or towards-
- i. paying up any amounts for the time being unpaid on any shares held by such

- Members respectively;
- ii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - iii. partly in the way specified in Article 48(b)(i) and partly in that specified in Article 48 (b)(ii);
 - iv. A securities premium account and a capital redemption reserve account may, for the purposes of this Regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;
 - v. The Board shall give effect to the resolution passed by the Company in pursuance of this Regulation.
49. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall;
- i. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - ii. generally do all acts and things required to give effect thereto.
- b. The Board shall have power;
- i. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - ii. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- c. Any agreement made under such authority shall be effective and binding on such Members.
50. Notwithstanding anything contained in these Articles but subject to the provisions of all applicable provisions of the Act or any other law for the time being in force the Company may purchase its own shares or other specified securities. Buy-back of Shares
51. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares and Debentures pursuant to the Depositories Act, 1996 and to offer its Shares and Debentures for subscription in a dematerialized form. The Company shall cause to be kept a register and index of members / beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch register of beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security holders for the purposes of these Articles. Dematerialisation of Shares

52. All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings. General Meetings

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held within a period of six months, from the date of closing of the Financial Year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred on the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company situate, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Financial Statements, Auditors' Report (if not already incorporated in the Financial Statements), the Proxy Register with proxies and the Register of Directors' shareholding which shall remain open and accessible during the continuance of the Meeting.

53. a. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition and in compliance with Section 100 of the Act, forthwith proceed to convene Extraordinary General Meeting. Extraordinary General Meeting by Board and by requisition
- b. If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members holding not less than one-tenth of the total paid up share capital of the Company may call for an Extraordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. When a Director or any two Members may call an Extraordinary General Meeting
54. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Registered Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists. Requisition of Members to state object of Meeting
55. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Registered Office, to cause a meeting to be called for a day not later than forty-five days from the date of deposit of the requisition, meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. On receipt of requisition, Directors to call Meetings and in default requisitionists may do.
56. At least 21 (twenty-one) days' clear notice (either in writing or electronic mode) of every General Meeting, Annual or Extraordinary, specifying the place, date, day, hour, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such Persons, as given under the Act, entitled to receive notice from the Company. A General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety five percent) of the Members entitled to vote at such meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of Financial

Statements and the reports of the Board of Directors and Auditors, (ii) the declaration of Dividend, (iii) the appointment of Directors in place of those retiring and (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or concern (financial or otherwise) and extent of the interest, if any, therein of every Director, Key Managerial Personnel and their Relatives (if any). Where any item of business consists of the approval of any document the time and place where the document can be inspected shall be specified in the statement aforesaid.

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| 57. | The accidental omission to give any such notice as aforesaid to any Member, or other person to whom it should be given or the non- receipt thereof, shall not invalidate any resolution passed at any such Meeting. | Omission to give notice not to invalidate a resolution passed. |
| 58. | No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened. | Meeting not to transact business not mentioned in notice. |
| 59. | The quorum for a General Meeting shall be as provided in the Act. A Body Corporate being a Member shall be deemed to be personally present if represented in accordance with Section 113 of the Act. | Quorum |
| 60. | If, at the expiration of half an hour from the time appointed for the meeting a quorum of Members is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week or if that day is a National Holiday until the next succeeding day which is not a National Holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and if at such adjourned meeting a quorum of Members is not present at the expiration of half an hour from the time appointed for the meeting, the said meeting shall stand adjourned <i>sine die</i> without transacting any business for which the meeting was called. | If quorum not present, Meeting to be dissolved and adjourned |
| 61. | The Chairperson of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting. | Chairperson of General Meeting |
| 62. | <ul style="list-style-type: none"> a. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting adjourn the meeting from time to time and from place to place. b. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | Chairperson with consent may adjourn meeting |
| 63. | In the case of an equality of votes the Chairperson shall on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a Member. | Chairperson's casting vote. |
| 64. | If at any General Meeting of the Company, if the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Members present shall elect one of the Directors or Members present to preside at the meeting and such chairperson shall not have any | No casting vote to a person other than the Chairperson. |

casting vote.

65. If a poll is demanded as aforesaid the same shall, be taken in such manner as prescribed under the Act. Poll to be taken, if demanded.
66. The demand for a poll except on the question of the election of the Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. Demand for poll not to prevent transaction of other business.
67. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or be reckoned in a quorum in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. Members in arrears not to vote.
68. Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the Voting Right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares. Number of votes each Member entitled.
69. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian: and any such committee or guardian may, on a poll, vote by proxy; if any Member be minor, the vote in respect of his share shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairperson of the Meeting. How Members non-compos mentis and minor may vote.
70. On a poll taken at a meeting of the Company, a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. Casting of votes by a Member entitled to more than one vote.
71. a. If there be joint registered holders of any share any one of such Persons may vote at any Meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto. Votes of joint Members
- b. If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.
- c. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
72. Votes may be given either personally or by attorney or by proxy or in case of a company, by a Votes may be given

- representative duly authorized as mentioned in Articles. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, be decided on a show of hands. by proxy or by representative
73. A Body Corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures or any other Securities) authorize such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or Debenture holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate as if it were an individual Member, creditor or holder of Debentures of the Company. Representation of a Body Corporate.
74. A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any Voting Rights in respect of the moneys paid until the same would, but for this payment, become presently payable. Members paying money in advance.
75. A Member is not prohibited from exercising his Voting Rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. Members not prohibited if share not held for any specified period.
76. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under Article 33 (Transfer of Shares) of these Articles of Association, to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. Votes in respect of shares of deceased or insolvent Members.
77. No Member shall be entitled to vote on a show of hands through Proxy unless such Member is present personally or by attorney or is a Body Corporate present by a representative duly Authorized under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. No votes by proxy on show of hands.
78. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. Appointment of a Proxy.
79. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarial certified copy of that power of attorney, shall be deposited at the office not less than forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. Deposit of instrument of appointment.
80. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105. Form of proxy.

81. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. Validity of votes given by proxy notwithstanding death of a Member.
82. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and every adjournment thereof or every meeting of the Company or every meeting to be held before a date not being later than twelve months from the date of the instrument specified in the instrument and every adjournment of every such meeting. Proxy either for specified meeting or for a period.
83. No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever. Time for objections to votes.
84. The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. Chairperson of the Meeting to be the judge of validity of any vote.
85. a. Except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Secretarial Standards on General Meetings and Meetings of Board of Directors as issued by the Institute of Company Secretaries of India (a statutory body under the Act of Parliament), the Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered. Minutes of General Meeting and Board and Other Meeting
- b. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- c. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting or each report in such books shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that chairperson within that period, by a director duly authorised by the Board for the purpose. In case of every resolution passed by postal ballot, by the Chairperson of the Board within the aforesaid period of thirty days or in the event of there being no chairperson of the Board or the death or inability of that chairperson within that period, by a director duly authorized by the Board for the purpose.
- d. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
- e. All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- f. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairperson of the meeting:
- i. is or could reasonably be regarded as, defamatory of any person, or

- ii. is irrelevant or immaterial to the proceedings, or
- iii. is detrimental to the interests of the Company.

The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.

- g. Any such minutes shall be evidence of the proceedings recorded therein.
- h. The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

Board of Directors

- 86. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than 3 (three) and not more than 15(fifteen). Provided that a Company may appoint more than 15 (fifteen) directors after passing a special resolution.
- 87. Subject to provisions of the Act and the Rules framed thereunder the Board may from time to time, appoint Managing Director / Whole-time Director / Manager for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit. Managing Director /
Whole-time Director /
Manager
- 88.
 - a. Subject to provisions of the Act and the Rules framed thereunder, the Board shall have power at any time, to appoint Additional Director, provided that the number of the directors and Additional Director together shall not at any time exceed the maximum strength fixed for the Board by Articles. Additional Director
 - b. Such person shall hold office only up to the date of next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to provisions of the Act, the Rules framed thereunder.
- 89.
 - a. The Board, subject to a resolution passed by the Company in general meeting may appoint a person not being a person holding any alternate Directorship for any other Director in the Company appoint an alternate director to act for a director (hereinafter called as "Original Director") during his absences for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. Alternate Director
 - b. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
 - c. If the term of office of Original Director is determined before he returns to India the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.
- 90. Subject to Section 167 of the Act, the office of a Director shall be vacated if: When office of
Directors to be

- a. he incurs any of the disqualifications specified in Section 164 of the Act; vacated.
- b. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- c. he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- d. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
- e. he becomes disqualified by an order of a Court or the Tribunal;
- f. he is convicted by a Court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:

Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such Court;
- g. he is removed in pursuance of the provisions of the Act;
- h. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

91. The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed as a Director by the Board of Directors. Removal of Director
92. Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated. Resignation of Director
93. a. If the office of any Director appointed by the Company in its General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled the Board of Directors at its Board Meeting. Directors' power to fill casual vacancies.
- b. The Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.
94. a. Until otherwise determined by the Board, each Director other than the Managing/Whole-time Director (shall be entitled to sitting fees not exceeding a sum prescribed in the Act and the Rules framed thereunder for attending meetings of the Board or Committees thereof. Sitting fees & remuneration
- b. If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration otherwise provided.

PROCEEDING OF THE BOARD OF DIRECTORS

95. a. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. Meetings of Directors.

- b. A Director may, and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.
96. The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting. Meeting through Video Conferencing
97. Subject to provisions of Section 173(3) of the Act, notice of not less than 7 (seven) days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business. Notice of Meetings
98. a. The quorum for a meeting of the Board shall be 1/3rd (one-third) of its total strength (any fraction contained in that one third being rounded off as one), or two Directors whichever is higher and the Directors participating by video conferencing or by other permitted means shall also counted for the purposes of quorum as provided in this Article. Quorum for Meetings
- b. Provided that interested Director may participate in the board meeting, after disclosing his interest.
- c. Provided further that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.
99. a. The members of the Board shall elect any one of them as the Chairperson of the Board. The Chairperson shall preside at all meetings of the Board and the General Meeting of the Company. The Chairperson shall have a casting vote in the event of a tie. Chairperson of the Board
- b. If at any meeting of the Board, if the Chairperson is not present within fifteen minutes after the time appointed for holding the same, the Directors present may elect one of the Directors so approved and present to preside at the meeting such chairperson shall not have any casting vote.
100. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote. Questions at Board meeting how decided.
101. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose. Continuing directors may act notwithstanding any vacancy in the Board
102. Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the Directors may appoint committee.

powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

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| 103. | The Meetings and proceedings of any such Committee of the Board, any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. | Committees of the Board to conform to Board regulations |
| 104. | If the Chairperson of the Company or the chairperson of the committee is not present within fifteen minutes of the time appointed for holding such Meeting, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting. | Chairperson of Committee Meetings |
| 105. | The Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of the Committee shall be determined by a majority of votes of the members present and in case of an equality of votes, the Chairperson shall have a second or casting vote. | Meetings of the Committee |
| 106. | Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. | Acts of Board or Committee shall be valid notwithstanding defect in appointment. |
| 107. | A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company in India, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors as are entitled to vote on the resolution. | Resolution by Circulation |

Accounts

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| 108. | <ul style="list-style-type: none"> a. The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper Books of Accounts in respect of: b. all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place; c. all sales and purchase of goods by the Company; and d. the assets and liabilities of the Company. e. The items of cost, if any as specified in the relevant Rules. f. Proper Books of Accounts shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in Article 108(a) hereof. g. The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof. | Accounts |
| 109. | The Directors shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, | Inspection to Members when |

- or any of them, shall be open to the inspection to the Members not being Directors; and no Member (not being a Director) shall have any right of inspection of any account or book or document of the Company except as conferred by law or authorised by the Directors allowed
110. Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each Financial Year. Financial Statements to be laid before the Member
111. The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account. Contents of Financial Statements
112. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. Financial Statements how to be signed
113. The Directors shall make and attach to every balance sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
114. a. A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every Member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every Director of the Company. Right of Members to copies of Financial Statements and Auditors' Report
- If the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninetyfive percent of the Members entitled to vote at the meeting.
- The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting.
- b. Any Member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.
115. a. A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the Annual General Meeting of the Company, shall be filed with the Registrar within thirty day's of the Annual General Meeting. Copy of Financial Statements etc. be filed
- b. If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the Financial Statements shall be filed with the Registrar within thirty days of the Annual General Meeting. Thereafter, the Financial Statements adopted at the adjourned Annual General Meeting shall be filed with the Registrar within thirty days of such adjourned Annual General

Meeting.

116. Every account when audited and approved by a General Meeting shall be conclusive.

When accounts to be deemed finally settled

Powers of Board

117. Subject to the provisions of the Act and to the provisions of these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and generally do all such acts and things as are or shall be by the said Act, and the Memorandum of Association and these presents directed or authorized to be exercised, given, made or done by the Company and are not thereby or hereby expressly directed or required to be exercised, given, made or done by the Company in General Meeting but subject to such regulations (if any) being not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made.

Borrowing Powers

- 118.
- a. Subject to the provisions of Sections 73, 179 and 180 of the Act and the other applicable provisions of these Articles, any funds required by the Company for its working capital and other capital funding requirements shall be made in the form of demand loans, and / or guarantees to be provided by the Company, as decided by the Board of Directors
 - b. Subject to Sections 73, 179 and 180 of the Act, the Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
 - c. The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respects as they deem fit and particularly by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled Capital of the Company or by the issue of bonds, redeemable debentures or debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled Capital for the time being.
 - d. Debentures, debenture-stock, bond or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
 - e. Any Debentures, debenture-stock, bond or other securities may be issued at discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares.

The Seal

- 119.
- a. The Board shall provide for the safe custody of the seal.
 - b. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of a Director and the secretary or such other person as the Board may appoint for the purpose; and such Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. In absence of the Director of the Company, the seal of the Company shall be affixed by at least two authorised officers of the Company authorized in that behalf and such authorised officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividend and Reserve

- 120.
- a. The Company in General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser Dividend.
 - b. Subject to the provisions of the Section 123, the Board may from time to time pay to the Members such interim Dividends as appear to it to be justified by the profits of the Company.
 - c. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
 - d. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
 - e. Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividends, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the Dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, Dividends may be declared and paid according to the amounts of the shares.
 - f. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Regulation as paid on the share, including to confer a right to dividend or to participate in profits.
 - g. All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any share is issued on terms providing that it shall rank for Dividend as from a particular date such share shall rank for Dividend accordingly.
 - h. The Board may deduct from any Dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
 - i. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
 - j. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
 - k. Any one of two or more joint holders of a share may give effective receipts for any Dividends, bonuses or other monies payable in respect of such share.
 - l. Notice of any Dividend that may have been declared shall be given to the Persons

entitled to share therein in the manner mentioned in the Act.

m. No Dividend shall bear interest against the Company.

121.

Dividend Distribution Policy

Preamble

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the '**Listing Regulations**'). The Board of Directors of Allied Blenders and Distillers Private Limited (the "**Company**"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("**the Policy**") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

Objective

The Company aimed at maximization of shareholders' value and believes that this can be attained by driving growth. The Policy endeavors to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach to dividend declaration.

Effective Date

Dividend Distribution Policy shall be effective from the date of its approval by the Board of Directors.

Policy Framework

The Policy has been formulated in line with the provisions of the Companies Act, 2013, Regulations issued by SEBI and other guidelines, to the extent applicable on the Company. Any subsequent amendments in these provisions would, ipso-facto, apply to this Policy. The Policy is not an alternative to the decision taken by the Board regarding declaration/recommendation of dividend after considering the various relevant factors.

Dividend

Dividend is the amount paid by the Company out of profits, to its Shareholders in proportion to the amount paid up on the shares held by the shareholders. As per the provisions of the Companies Act, 2013, the dividend can be paid as interim or final.

Interim Dividend

- (a) The Board of Directors of the Company shall declare the interim dividend during the financial year, as and when they consider it fit to so declare.
- (b) The interim dividend can be declared by the Board of Directors one or more times in a financial year and normally, the Board may consider the declaration of interim dividend after the finalization of the quarterly/half yearly financial statements of the Company.

- (c) The interim dividend, if declared, shall be paid to the eligible shareholders, as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable. First interim dividend, if any, may be declared in the Board Meeting convened for approving financial statements for the 2nd quarter/half –year, and 2nd interim dividend, if any, may be declared at the time of approving financial statements for the 3rd quarter of the financial year.
- (d) In case no final dividend is declared by the Company, interim dividend paid during the financial year, if any, shall be considered as final dividend at the Annual General Meeting of the Company.

Final Dividend

- (a) The final dividend, if any, is paid once in a financial year after the preparation of the annual financial statements.
- (b) The Board of Directors shall recommend the final dividend to the Shareholders for their approval in the Annual General Meeting of the Company. The declaration of final dividend, if any, shall be included in the ordinary business items to be transacted at the Annual General Meeting of the Company.
- (c) The final dividend shall be paid to the eligible shareholder's subject as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable.

Circumstances under which the Shareholders of the Company may or may not expect dividend

The decision regarding dividend payout is a vital decision, as it determines the amount of the profit to be distributed among its shareholders and the amount of the profit to be retained in business for the future growth and modernization expansion plan of the Company. The Company would continue to adopt a progressive and dynamic dividend distribution policy to ensure its immediate and long term requirements along with rewarding the Shareholders of the Company. Dividend for the financial year shall be decided/recommended by the Board, considering, statutory, economic, market, industry, external and internal factors.

The Company may not declare dividend or declare dividend at a lower rate under the following circumstances:

- (a) in the event of the Company making losses or the profits are inadequate;
- (b) where the Company is having requirement of funds for Capex requiring high capital allocation, working capital, repayment of loans taken in the past;
- (c) inadequate availability of cash; and
- (d) higher cost of raising funds from alternate sources

It may be noted that declaration of dividend shall be subject to the provisions of Companies Act, 2013, SEBI Regulations.

Parameters for Dividend Distribution

- The Company has only one class of shares i.e. Equity shares and, hence, the parameters disclosed here under apply to the same.
- The Board while considering payment of dividend for a financial year may, *inter alia*, consider the following factors:
 - All carried over previous year's losses and depreciation not provided in previous year or years are set off against profit of the Company of the Current year;

- Current year's depreciation charge has been duly provided for and there is balance in the Profit and Loss account after providing for past accumulated losses and current year depreciation and depreciation of previous periods;
- Amounts transferred to reserves as may be stipulated;
- Compliance with FEMA Regulations and Rules prescribed from time to time by Reserve Bank of India for payment of dividend to Non Residents;
- Unpaid dividend, if any, shall be transferred to Investor Education and Protection Fund as per the provisions of the Companies Act, 2013;
- Profit for the financial year as well as general reserves of the Company.
- Projections of future profits and cash flows;
- Borrowing levels and the capacity to borrow including repayment commitments;
- Present and future Capital expenditure plans of the Company including organic/inorganic growth avenues;
- Applicable taxes including tax on dividend;
- Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by Government of India;
- Past dividend trend for the Company and the industry;
- State of economy and capital markets; and
- Any other applicable laws and regulations in this respect.
- Any other factor as may be deemed fit by the Board.

Other important internal and external factors to be considered by the Board

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based on the following factors/ parameters:

- 1 **Cash flow** – If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.
- 2 **Cost of borrowings** – The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from external sources such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.
- 3 **Taxation and other regulatory concern** - Dividend distribution tax or any tax deduction at source as required by tax regulations in India, as may be applicable at the time of declaration of dividend and its impact on the finances of the Company.
- 4 **Macroeconomic conditions** - Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.
- 5 **Past performance/ Dividend history and reputation of the Company** - The standing of the Company in the business space, its dividend payment history and the impact of the decision on overall reputation of the Company.
- 6 Any restrictions on payment of dividends by virtue of any regulation as may be

applicable to the Company at the time of declaration of dividend.

DIVIDEND PAYOUT RATIO

Dividend for every financial year shall be decided and recommended by Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy. The Board of directors shall endeavor to maintain the Dividend Payout Ratio* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% or more of the Company's consolidated profit after tax or more, subject to the following

- Company's need for Capital for its growth plan
 - Positive Cash Flow
- (* to be reviewed every 2 to 3 years, if need be)

General

- In the event of the Policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.

The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the Policy as it may deem fit or in accordance with the guidelines and regulations as may be issued by Securities and Exchange Board of India, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed along with the justification thereof on the Company's website and in the ensuing annual report of the Company in accordance with the extant regulatory provisions.

122.

Winding up

Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- a. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- b. For the purpose aforesaid, the liquidator may set such value as he deems fair upon a property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

123. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.
124. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

125. a. No shareholder shall be entitled to visit or inspect any works of the Company without Secrecy

the permission of the Board of Directors of the Company or any other person authorised on that behalf by the Board of Directors of the Company, to require discovery of any details in relation to the Company's business which is or may be in the nature of a trade secret, confidential information or any other matter which may relate to the conduct of the business of the Company which in the opinion of the Board of Directors of the Company would be inexpedient in the interest of the Company to disclose.

- b. Every Director, Manager, Auditor, trustee, member of a committee, Officer, servant and accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.

- 126. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. General powers

PART –B

127. The regulations contained in Table F, in the Schedule I to the Companies Act, 2013 or in the Schedule, to any previous Companies Act, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act. Table 'F' not to apply
128. c. The Regulations for the management of the Company and for the observance of the Members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration or modification or addition to its Regulations in the manner prescribed under the Companies Act, 2013, shall be such as are contained in these Articles.
- d. These Regulations shall be binding on both the Company and the Members and every Member shall be deemed to have joined the Company on the foregoing basis.
129. The marginal notes hereto shall not affect the construction hereof. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context; Interpretation
- lxvi. “**Act**” means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any Previous Company Law, so far as may be applicable, including Rules.
- lxvii. “**Articles**” means the Articles of Association of the Company for the time being in force or as altered from time to time.
- lxviii. “**Article**” or “**Regulation**” unless the context otherwise requires, means the Article or Regulation comprised in these Articles.
- lxix. “**Alter**” and “**Alteration**” shall include the making of additions, modifications, deletions and substitutions.
- lxx. “**Annual General Meeting**” means a General Meeting of the Members held in accordance with the provision of Section 96 of the Act.
- lxxi. “**Associate Company**” in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company. For the purposes of this definition,
- (c) “significant influence” means Control of at least twenty percent of total share capital, or of business decisions under an agreement;
- (d) “joint venture” means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.
- lxxii. “**Auditors**” means and includes those persons appointed as such for the time being of the Company in terms of the Act.
- lxxiii. “**Bina Chhabria Enterprises Private Limited** or “**BCEPL**” means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U45200MH2009PTC194129

- lxxiv. “**BKC**” means Bina Kishore Chhabria (DIN: 00243376) wife of Kishore Rajaram Chhabria who shall be the Co-Chairperson of the Company.
- lxxv. BKC Enterprises Private Limited or “**BKCEPL**” means a company incorporated under the provisions of the Companies Act, 2013 having CIN: U70109MH2018PTC314612
- lxxvi. “**Board of Directors**” or “**Board**” in relation to the Company, means the collective body of the Directors of the Company or any Committee of the Board duly constituted in terms of these Articles and the applicable provisions of the Act;
- lxxvii. “**Body Corporate**” or “**Corporation**” includes a company incorporated outside India, but does not include—
- c. a co-operative society registered under any law relating to co-operative societies; and
 - d. any other Body Corporate (not being a company as defined in this Act), which the Central Government may, by notification, specify in this behalf.
- lxxviii. “**Book and Paper**” and “**Book or Paper**” include books of account, deeds, vouchers, writings, documents, minutes and registers maintained on paper or in electronic form.
- lxxix. “**Books of Accounts**” includes records maintained in respect of—
- e. all sums of money received and expended by the Company and matters in relation to which the receipts and expenditure take place;
 - f. all sales and purchases of goods and services by the Company;
 - g. the assets and liabilities of the Company; and
 - h. the items of cost as may be prescribed under Section 148 in the case of the Company which belongs to any class of companies specified under that section.
- lxxx. “**Capital**” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.
- lxxxi. “**Charge**” means an interest or lien created on the property or assets of the Company or any of its undertakings or both as security and includes a mortgage
- lxxxii. “**Promoters**” means and includes KRC, BKC, NKC, RCJH, BCEPL, OCSPL, ORPL and BKCEPL collectively and **Promoter** means any one of them. The term “**Promoter**” also includes any Family Trust and / or Privileged Relation who may acquire or be gifted or bequeathed Shares from the Promoters. For the purposes of this definition the expression “**Family Trust**” and “**Privileged Relation**” shall have the following meaning;
- a. “**Family Trust**” means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which the only Persons being (or capable of being) beneficiaries are the individual beneficial owners of the Shares held in trust and/or his/or her Privileged Relations, and no

power of Control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his or her Privileged Relations.

lxxxiii. “**Privileged Relation**” means in relation to any Promoter (being an individual), the Promoter’s spouse, for the time being, and all lineal descendants of that Promoter (including for this purpose any step-child, adopted child of the Promoter or his/her lineal descendants) or any person who for the time being is married to any such lineal descendant but no lineal descendant may be a Privileged Relation whilst a minor.

lxxxiv. “**Chief Financial Officer**” means a person appointed as the Chief Financial Officer of the Company.

lxxxv. “**Control**” shall mean the power to direct the management or policies of a Person, whether through the ownership of over fifty percent (50%) of the total voting power of such Person, through the power to appoint over half of the members of the Board of Directors or similar governing body of such Person, through contractual arrangements or otherwise;

lxxxvi. “**Court**” means—

- f. the High Court having jurisdiction in relation to the place at which the registered office of the Company is situate, except to the extent to which jurisdiction has been conferred on any district Court or district Courts subordinate to that High Court under (b) hereinafter;
- g. the district court, in cases where the Central Government has, by notification, empowered any district Court to exercise all or any of the jurisdictions conferred upon the High Court, within the scope of its jurisdiction in respect of the Company whose registered office is situate in the district;
- h. the Court of Session having jurisdiction to try any offence under this Act or under any Previous Company Law;
- i. the Special Court established under Section 435 of the Act;
- j. any Metropolitan Magistrate or a Judicial Magistrate of the First Class having jurisdiction to try any offence under this Act or under any Previous Company Law;

lxxxvii. “**Debenture**” includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a Charge on the assets of the Company or not;

lxxxviii. “**Directors**” means a director appointed to the Board of the Company.

lxxxix. “**Dividend**” includes any interim Dividend.

xc. “**Document**” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or in electronic form.

xci. “**Executor**” or “**Administrator**” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the

Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under Section 31 of the Administrator General Act, 1963.

xcii. **“Extraordinary General Meeting”** means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

xciii. **“Financial Statement”** in relation to the Company, includes—

- f. a balance sheet as at the end of the Financial Year;
- g. a profit and loss account for the Financial Year;
- h. cash flow statement for the Financial Year;
- i. a statement of changes in equity, if applicable; and
- j. any explanatory note annexed to, or forming part of, any document referred to in (a) to (d) above.

xciv. **“Financial Year”** in relation to the Company shall mean any fiscal year of the Company beginning on 1st day of April of every calendar year and ending on the 31st day of March of the following calendar year.

xcv. **“General Meeting”** means a meeting of Members.

xcvi. **“In Writing”** and **“Written”** includes printing lithography and other modes of representing or reproducing words in a visible form and shall include email, and any other form of electronic transmission.

xcvii. **“Key Managerial Personnel”** means the Chief Executive Officer or the Managing Director or the Manager; the Company Secretary; Wholetime Director; Chief Financial Officer; such other Officer, not more than one level below the Directors who is in whole-time employment of the Company, designated as Key Managerial Personnel by the Board and such other Officer as may be notified from time to time in the Act and the Rules.

xcviii. **“KRC” (DIN: 00243244)** means Mr. Kishore Rajaram Chhabria son of Late Mr. Rajaram Chhabria who shall be the permanent Chairman of the Company.

xcix. **“Legal Representative”** means a person who in law represents the estate of a deceased Member.

“Manager” means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of the Company, and includes any Director or any other person occupying the position of a Manager, by whatever name called, whether under a contract of service or not.

ci. **“Managing Director”** means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of Managing Director, by whatever name called.

cii. **“Members”** means the duly registered holders, for the time being of the Shares of the Company and in case of Shares held in dematerialized form such persons whose name is

entered as a beneficial owner in the records of a depository.

- iii. **“Month”** means a calendar month.
- iv. **“National Holiday”** means and includes a day declared as National Holiday by the Central Government.
- cv. **“NKC” (DIN: 01498718)** means Mrs. Neesha Kishore Chhabria, daughter of Kishore Rajaram Chhabria
- vi. **“Officer’s Choice Spirits Private Limited” or “OCSPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U15500MH2005PTC153854.
- vii. **“Office”** means the Registered Office for the time being of the Company.
- lviii. **“Officer”** includes any Director, Manager or Key Managerial personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.
- lix. **“Ordinary Resolution”** and **“Special Resolution”** shall have the meanings assigned thereto by Section 114 of the Act.
- lx. **“Paid-up”** in relation to shares includes credited as paid-up.
- lxi. **“Oriental Radios Private Limited” or “ORPL”** means a company incorporated under the provisions of the Companies Act, 1956 having CIN: U32200MH1938PTC002773
- lxii. **“Person(s)”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal identity).
- lxiii. **“Previous Company Law”** means the Companies Act, 1956 (1 of 1956) and any law corresponding to the said Companies Act, 1956 (1 of 1956);
- lxiv. **“Proxy”** means an instrument whereby any person is authorized to vote for a member at a General Meeting or poll and includes attorney duly constituted under the power of attorney.
- lxv. **“RCJH” (DIN: 00030608)** means Mrs. Resham Chhabria Jeetendra Hemdev, wife of Jeetendra Hemdev
- lxvi. **“Relative”** with reference to any person, means anyone who is related to another, if—
 - l. they are members of a hindu undivided family;
 - m. they are husband and wife;
 - n. he is the father; including step-father;
 - o. she is the mother; including step-mother;
 - p. he is the son including step-son;
 - q. she is the son’s wife;
 - r. she is the daughter;
 - s. he is the daughter’s husband;

- t. he is the brother including step-brother;
- u. she is the sister including step-sister; or
- v. any other person as related to the other in such manner as may be prescribed under the Act;

cxvii. **“Related Party”**, with reference to the company, means—

- j. Director or his Relative;
- k. Key Managerial Personnel or his Relative;
- l. a firm, in which the Director, Manager or his Relative is a partner;
- m. a private company in which the Director or Manager or his Relative is a member or director;
- n. a public company in which the Director or Manager or his Relative is a director and holds along with his relatives, more than two percent of its paid-up share capital;
- o. any body corporate whose board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of the Director or Manager;
- p. any person on whose advice, directions or instructions the Director or Manager is accustomed to act;
- q. any body corporate which is
 - D. a holding, subsidiary or an associate company of the Company.
 - E. a subsidiary of a holding company to which it is also a subsidiary or
 - F. an investing company or the venture of the Company.

Explanation:- For the purpose of this Regulation, “the investing company or the venture of the Company” means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.

- r. any other person as prescribed under the Act.

cxviii. **“Reserved Matters”** means matters specified in Article 120 hereof.

cxix. **“Rules”** means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

cxx. **“Seal”** means the Common Seal for the time being of the Company or any other method of authentication of documents, as specified under the Act or amendment thereto.

cxxi. **“Secretary”** means a company secretary as defined in clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed by the Board of Directors to perform the functions of a company secretary under this Act and is a Key Managerial Person.

cxxii. **“Share”** means a share in the Share Capital of the Company and includes stock.

cxxiii. **“Subsidiary”** shall have the same meaning as the term “subsidiary” as defined under Section 2(87) of the Act.

- cxxiv. **“The Company” or This Company**” means Allied Blenders And Distillers Limited established as aforesaid.
- cxxv. **“These presents”** means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.
- cxxvi. **“The Register of Members”** means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act and can be kept anywhere in or outside India
- cxxvii. **“Tribunal”** means the National Company Law Tribunal constituted under Section 408 of the Act.
- cxxviii. **“Variation”** shall include abrogation; and “vary” shall include abrogate
- cxxix. **“Voting Right”** means the right of a Member of the Company to vote in any meeting of the Company or by means of postal ballot.
- cxxx. **“Whole-Time Director”** includes a Director in the whole-time employment of the Company;
- cxxxi. **“Year”** means the calendar year and

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.

Unless the context otherwise requires words and expressions contained in these Articles shall bear the same meaning as in the Act.

130. a. The Company is a ‘Public Company’ within the meaning of Section 2(71) of the Act. Public company
- b. The use of the name **“ALLIED BLENDERS AND DISTILLERS”** or its logo and/or marks as a part of the corporate name of the Company or the trade name of the Company or as a part of its logo or marks or its letterhead stylings or stationery or stationery stylings or packing stylings or any hybrid variation thereof or any other use thereof shall cease to be so used, if at any time the Equity Shareholding of the Promoter(s) falls below 51% of the shareholding of the Company, and in which event Promoter(s) will be entitled by a written notice to the Company to call upon the Company to discontinue use of the word **“ALLIED BLENDERS AND DISTILLERS”** or its logo and /or marks in any form or manner as a part of the Company’s corporate name or trade name and to change its name in such a manner as to delete the word **“ALLIED BLENDERS AND DISTILLERS”** or its logo and/or marks as appearing in the name of the Company and the Company shall within 90 days from the date of receipt of such notice:
- i. discontinue the use of the word **“ALLIED BLENDERS AND DISTILLERS”** or its logo and/or marks as part of its corporate name and/or as the trade name.
 - ii. take all steps as may be necessary for the purpose of changing its corporate name as aforesaid.
 - iii. undertake at all times that the Company’s corporate name shall not comprise of any word or expression or logo similar to the word **“ALLIED BLENDERS AND DISTILLERS”** or its logo and/or marks.
- c. The shareholders shall at all times exercise their Voting Rights to carry out the provision

of this Article.

- d. Without prejudice to any provisions contained in the Act, (including Sections 47 and 50(2) of the Act), the shareholders further agree of their own free will and volition that they shall at all times exercise their Voting Rights to vote in favour of all resolutions required to be passed to change the name and discontinue the use of the words “**ALLIED BLENDERS AND DISTILLERS**” as provided by this Article.

Share Capital and Debenture

- | | |
|--|-----------------------------------|
| 131. The authorized share capital of the Company shall be as mentioned at Clause V of the Memorandum of Association of the Company. | Authorised Capital |
| 132. Subject to the provisions of the Act and these Articles, the Shares in the Capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of the same or any of them to such Persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any Person or Persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board of Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property or assets of any kind whatsoever, sold or to be sold or transferred or to be transferred or goods or machinery supplied or to be supplied or for service rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company for the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. | Shares under Control of the Board |
| 133. The Share Capital of the Company shall be of two kinds, namely:- <ul style="list-style-type: none">c. Equity share capital<ul style="list-style-type: none">i. with Voting Rights; orii. with differential rights as to Dividend, voting or otherwise in accordance with the Act and the Rules; andd. Preference share capital. | Kinds of Share Capital |
| 134. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and any other applicable provision of the Act or any other law for the time being in force and Rules, the Company may issue Debentures. | Debenture |
| 135. Subject to the provisions of the Act and Rules, the Company shall have the power to issue Preference Shares which are, at the option of the Company, liable to be redeemed on or within the expiry of a period of 20 (twenty) years from the date of their issue and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. | Redeemable Preference Shares |
| 136. If at any time the Share Capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act. | Variation of Rights |
| 137. A certificate, issued under the Common Seal of the Company, specifying the Shares held by any Person, shall be prima facie evidence of the title of the Person to such Shares. | Share Certificate |

138. e. Every Person whose name is entered as a Member in the Register of Members shall be entitled to receive within two months from the date of allotment or within one month of the receipt by the Company of application for the registration of transfer or transmission or sub-division or consolidation or renewal of any of its Shares as the case may be, within such other period as the conditions of issue shall be provided:
- i. one certificate for all his shares without payment of any charges; or
 - ii. several certificates, in marketable lots, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- f. Every certificate so issued shall be under the Seal of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon, and be in the prescribed form, duly signed by two Directors and an authorized person or Company Secretary as the case may be and shall specify the Shares to which it relates and the amount paid-up thereon.
- g. In respect of any Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
- h. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

139. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (which shall not exceed the maximum amount permitted under applicable law) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Further, no fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the Rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

The provision of this Article shall *mutatis mutandis* apply to Debentures of the Company.

140. Except as ordered by a Court of competent jurisdiction or as by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the depository as the absolute owner thereof and accordingly shall not be bound to recognize (even when having notice thereof) any benami trust or equity, equitable, contingent, future or partial interest in any share, other claim or any interest in any fractional part of a share, or (except only as is by these Articles otherwise expressly provided or by law otherwise provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the Person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more Persons or the survivor or survivors of them.
- Company not bound to recognize any interest in share other than that of registered holders.

141. If shares are held in dematerialized mode, the record of the depository will be the prima facie

evidence of the interest of the beneficial owner and the provision of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply (except where the Act otherwise requires) to issue of certificates for any other securities including Debentures of the Company.

142. d. The Company may exercise the powers of paying commissions conferred by the Act, to any Person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules. Commission
- e. The rate or amount of the commission shall not exceed the rate or amount as prescribed in the Rules.
- f. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
143. h. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered, subject to the provisions of Section 62 of the Act, and the rules made thereunder: Further issue of capital
4. to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:
- iv. The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
- v. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in Article 17(a)(1)(i) herein shall contain a statement of this right;
- vi. After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the Company.
5. to employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the Rules and such conditions, as may be prescribed; or
6. to any Persons, if it is authorised by a special resolution, whether or not those Persons include the Persons referred to in Article 17(a)(1) or 17(a)(2), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed.
- i. The notice referred to in Article 17(a)(1)(i) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue.
- j. Nothing contained herein shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company or to subscribe for shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

- k. Notwithstanding anything contained in Article 17(c), where any Debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such Debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

- l. In determining the terms and conditions of conversion under Article 17(d) the Government shall have due regard to the financial position of the Company, the terms of issue of Debentures or loans, as the case may be, the rate of interest payable on such Debentures or loans and such other matters as it may consider necessary.
- m. Where the Government has, by an order made under Article 17(d) directed that any Debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 17(d) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such Debentures or loans or part thereof has been converted into.
- n. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules made thereunder.

144. d. The Company shall have a first and paramount lien- Lien

- iii. on every Share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and
- iv. on all Shares (not being fully paid shares) standing registered in the name of a single Person, for all monies presently payable by him or his estate to the Company.

Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Regulation.

- e. The Company's lien, if any, on a Share shall extend to all Dividends payable and bonuses declared from time to time in respect of such Shares.
- f. The fully paid-up Shares shall be free from all lien on any account whatsoever and in the case of partly paid up Shares the Company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such Shares.

145. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

- c. unless a sum in respect of which the lien exists is presently payable; or
 - d. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the Person entitled thereto by reason of his death or insolvency.
146. d. To give effect to any such sale, the Board may authorise some Person to transfer the shares sold to the purchaser thereof.
- e. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - f. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
147. c. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- d. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the Person entitled to the shares at the date of the sale.
148. The provision of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
149. d. The Board may, from time to time, make calls upon the Members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times; Calls on Shares
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- e. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
 - f. A call may be revoked or postponed at the discretion of the Board.
150. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
151. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
152. c. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- d. The Board shall be at liberty to waive payment of any such interest wholly or in part.

153. c. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- d. In case of non-payment of such sum, all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
154. c. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- d. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in General Meeting shall otherwise direct, twelve percent per annum, as may be agreed upon between the Board and the Member paying the sum in advance.
155. The provision of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including Debentures of the Company.
156. Where two or more Persons are registered as the joint holders (not more than three) of any share they shall be deemed (so far as the Company is concerned) to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles: Joint Holders
- g. the joint holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
- h. on the death of any such joint-holder the survivor or survivors shall be the only Person or Persons recognized by the Company as having any title to the share but the Directors may require such evidence of the death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability in respect of the shares held by him jointly with any other person.
- i. Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
- j. only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any documents served on or sent to person shall be deemed service on all the joint-holders.
- k. If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
- l. The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names.

157. f. Every holder of Shares of the Company may, at any time, nominate, in the manner prescribed under the Act and the Rules, any Person to whom his shares shall vest in the event of his death. Nomination of Shares and Debentures
- g. Where the shares of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Act and the Rules prescribed thereunder, any Person to whom all the rights in the securities of the Company shall vest in the event of death of all the joint holders.
- h. Notwithstanding anything contained in any other provision of law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares of the Company, where a nomination made in the manner prescribed under the Act and the Rules prescribed thereunder, purports to confer on any Person the right to vest the shares of the Company, the nominee shall, on the death of the holder of the shares or, as the case may be, on the death of the joint holders become entitled to all the rights in the shares of the holder or, as the case may be, of all the joint holders, in relation to such shares of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Act and the Rules prescribed thereunder.
- i. Where the nominee is a minor, the holder of the shares, can make the nomination to appoint in prescribed manner under the Act and the Rules prescribed thereunder, any Person to become entitled to the securities of the Company in the event of his death, during the minority.
- j. The provision of these Articles relating to nomination shall *mutatis mutandis* apply to the other securities including Debentures of the Company.
158. Except as provided in these Articles, no Member shall sell or otherwise transfer or dispose of any shares now owned or hereafter acquired by him in the manner provided herein and unless the conditions contained in these Articles are complied with. General Restriction on Transfer
159. d. There shall be no restrictions whatsoever on the transactions in relation to shares including transfer of shares between any Members or granting of rights or creating an encumbrance on shares by one Member in favour of another Member and subject to the provisions of Section 56 of the Act and the Rules framed thereunder.. A common form of transfer shall be used in case of transfer of Shares, in accordance with the Act and Rules and the Securities Contracts (Regulation) Rules, 1957, which shall be duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate or certificates relating to the shares or if no certificate is in existence, along with the letter of allotment of the shares. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and shall contain the names of and addresses of both the transferor and the transferee and the transferor shall be deemed to remain the holder of such until the name of the transferee is entered in the register in respect thereof. Each signature of such transfer shall be duly attested by the signature of one creditable witness who shall add his address and occupation. Transfer of shares
- e. The application for registration of a share or other interest of a Member in the Company may be made either by the transferor or the transferee, provided that, where such application is made by the transferor on registration shall in the case of partly paid up shares shall not be affected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act and the Rules framed thereunder, the Board of Directors, unless the objection is made by the transferee within

two weeks from the receipt of the notice, enter in the Register of Members the name of the transferee in the manner and subject to the same conditions as if the application for registration was made by the transferee.

- f. Subject to the provisions of Section 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares of the Company.

160. a. The Board may in their absolute and uncontrolled discretion and without assigning any reason there of decline to register the transfer of a share not being fully paid share, to a person of whom they do not approve and any transfer of shares of which the Company has a lien. Restriction on transfer of shares by any Member(s) to a Non-Member
- b. No transfer or disposal of legal or beneficial interest in the shares of the Company by any Shareholder shall be made without the prior written consent of Promoter (s).
 - c. Any transfer, except if effected in accordance with what is stated herein, will be void and of no effect.
 - d. If the Promoter(s) agree(s), in writing to transfer and/or sell any shares of the Company the same shall be effected only to such person(s) and at such price as are acceptable to the Promoter(s) and as per the procedure otherwise laid down in Article 34(f).
 - e. Notwithstanding what is stated in Article 34(d), No Member shall transfer, sell, assign, pledge, encumber or otherwise dispose of shares of the Company to a person who is not a Member of the Company except as provided in Article 34(f).
 - f. If a Member (hereinafter called 'the Seller') desires to transfer, sell or assign all or a portion of his Shares in the Company, he shall first offer to sell such Shares (the "Offer Shares") to the Promoter(s) or other Members as follows:
 - (i) The Seller shall issue a written notice ("Notice for Sale") to the Board of Directors of the Company signifying his intent to sell the shares and specifying the number of shares for sale.
 - (ii) Within 10 (ten) days of receipt of Notice for Sale, the Board of Directors shall request the registered valuer as defined under the provision of the Act or Independent Chartered Accountant or the Auditor of the Company ('Valuer') to undertake a fair valuation of Offer Shares and issue a fair valuation report within a period of 30 (thirty) days. The Valuer shall have regard to the multiple valuation, using methods as permitted by Statutes for determining the fair value Within 15 (fifteen) days from the date of receipt of valuation report, the Company shall issue a written notice ("Notice of Offer") to each of the Promoter(s) or the Members as the case may be indicating the number of Offer Shares and the fair value as determined by the Auditors.
 - (iii) Within 30 (thirty) days from the date of receipt of the Notice of Offer, any Promoter(s) or the Members as the case may be may issue a written notice to Board of Directors and to the Seller ("Notice to Purchase") to purchase the Offer Shares at a price which

is equal to or higher than the fair value indicated by the Auditor.

- (iv) If there are multiple Notices of Purchase, the Seller shall have the right to give a preference. In case no such preference is issued by the Seller, the Board of Directors shall have the right to determine the purchaser.
- (v) Once the purchaser is finalized in terms of this Article, the necessary transfer deeds shall be executed by the selling and purchasing Promoter(s) or the Members as the case may be and submitted to the Board which shall be approved by the Board.
- (vi) In case no Notice of Purchase is received by the Board within 45 (forty five) days from the issue of Notice of Offer, the Seller shall be free (for a period of 90 (ninety) days from the 46th (forty sixth) day of the issue of Notice of Offer) to sell the Offer to Shares to any third party, acceptable to the Promoters, at a price which is higher than fair value.
- (vii) In case no sale is consummated within such period of 90 (ninety) days, the Seller would be required to re-issue the Notice for Sale and repeat the process.

- 161. Except as provided in Article 34, no Member shall transfer by gift, pledge, charge, grant options over or otherwise encumber any of his Shares or the beneficial interest in any of his Shares of the Company now owned or hereafter acquired by him without first giving a notice in writing to the Board of Directors and each of the other Members including the Promoters. The written notice shall contain the terms of the transfer / encumbrance (including the number of Shares to be transferred/ encumbered, the nature of the transfer/encumbrance and the name of the proposed transferee), and the Board of Directors shall notify such Member(s) and the Promoters of its approval or disapproval within thirty (30) days of its receipt of such notice. If the Board of Directors and the Promoters fail to act within such thirty day period, the Board of Directors and the Promoters shall be deemed to have consented to the proposed transfer by gift/encumbrance. Restriction on Transfer by Gift or Pledge etc.
- 162. The Company shall have the right to refuse the transfer of shares to minors except in case of transmission. Shares held by a Minor
- 163.
 - c. On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees or Legal Representatives where he was a sole holder, shall be the only Persons recognised by the Company as having any title to his interest in the shares. Transmission of Shares
 - d. Nothing in Article 37(a) above shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other Person(s).
- 164.
 - c. Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
 - i. to be registered himself as holder of the share; or
 - ii. to make such transfer of the Share as the deceased or insolvent Member could have made.
 - d. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.

165. d. If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Board of Directors a notice in writing signed by him stating that he so elects.
- e. If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.
- f. All the limitations, restrictions and provisions of these Regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

166. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.

167. If a Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. Forfeiture of shares

168. The notice aforesaid shall-

- c. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- d. state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

169. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

170. c. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

- d. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 171.
- c. A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.
 - d. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- 172.
- e. A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Share;
 - f. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the share is sold or disposed of;
 - g. The transferee shall thereupon be registered as the holder of the Share; and
 - h. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the Share.
173. The provisions of these Regulations as to forfeiture shall apply in the case of non- payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
174. Subject to provisions of the Act, the Company in its General Meetings may, by an ordinary resolution-
- f. increase its authorised capital by such amount as it thinks expedient;
 - g. consolidate and divide all or any of its Share Capital into shares of a larger amount than its existing shares. Provided that any consolidation and division which results in changes in the voting percentage of shareholders shall require applicable approvals under the Act;
 - h. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - i. sub-divide its shares, or any of them, into shares of smaller amount than fixed by the memorandum, so, however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived, subject to provisions of the Act, Rules and of these Articles;
 - j. cancel Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled.

Alteration of Share Capital

The cancellation of shares shall not be deemed to be a reduction of Share Capital.

175. The Company may (subject to the provisions of Sections 52, 55 and other applicable provisions, if any, of the Act or any other section as notified) from time to time by Special Resolution reduce: Reduction of Share Capital

- d. the Share Capital; or
- e. any capital redemption reserve account; or
- f. any security premium account

in any manner for the time being, authorized by law and in particular Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

176. c. The Company in General Meeting may, upon the recommendation of the Board, resolve- Capitalisation of Profits

- iii. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- iv. that such sum be accordingly set free for distribution in the manner specified in Article 50(b) below amongst the Members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.

d. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in this Article 50(b)(iv) below of this Regulation, either in or towards-

- vi. paying up any amounts for the time being unpaid on any shares held by such Members respectively;
- vii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
- viii. partly in the way specified in Article 50(b)(i) and partly in that specified in Article 50 (b)(ii);
- ix. A securities premium account and a capital redemption reserve account may, for the purposes of this Regulation, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares;
- x. The Board shall give effect to the resolution passed by the Company in pursuance of this Regulation.

177. d. Whenever such a resolution as aforesaid shall have been passed, the Board shall;

- iii. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- iv. generally do all acts and things required to give effect thereto.

e. The Board shall have power;

- iii. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

- iv. to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
 - f. Any agreement made under such authority shall be effective and binding on such Members.
178. Notwithstanding anything contained in these Articles but subject to the provisions of all applicable provisions of the Act or any other law for the time being in force the Company may purchase its own shares or other specified securities. Buy-back of Shares
179. Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares and Debentures pursuant to the Depositories Act, 1996 and to offer its Shares and Debentures for subscription in a dematerialized form. The Company shall cause to be kept a register and index of members / beneficial owners in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch register of beneficial owners / Register of Members, resident in that State or Country. The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security holders for the purposes of these Articles. Dematerialisation of Shares
180. All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings. General Meetings
- The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The Annual General Meeting shall be held within a period of six months, from the date of closing of the Financial Year; provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred on the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the Registered Office of the Company situate, as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. Every Member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Financial Statements, Auditors' Report (if not already incorporated in the Financial Statements), the Proxy Register with proxies and the Register of Directors' shareholding which shall remain open and accessible during the continuance of the Meeting.
181. c. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and they shall on requisition of Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition and in compliance with Section 100 of the Act, forthwith proceed to convene Extraordinary General Meeting. Extraordinary General Meeting by Board and by requisition
- d. If at any time there are not within India sufficient Directors capable of acting to form a

quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members which shall include the Promoter(s) of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extraordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

When a Director or any two Members may call an Extraordinary General Meeting

182. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Registered Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists. Requisition of Members to state object of Meeting
183. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the Registered Office, to cause a meeting to be called for a day not later than forty-five days from the date of deposit of the requisition, meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. On receipt of requisition, Directors to call Meetings and in default requisitionists may do.
184. At least 21 (twenty-one) days' clear notice (either in writing or electronic mode) of every General Meeting, Annual or Extraordinary, specifying the place, date, day, hour, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such Persons, as given under the Act, entitled to receive notice from the Company. A General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95% (ninety five percent) of the Members including the Promoter(s) entitled to vote at such meeting. In the case of an Annual General Meeting, if any business other than (i) the consideration of Financial Statements and the reports of the Board of Directors and Auditors, (ii) the declaration of Dividend, (iii) the appointment of Directors in place of those retiring and (iv) the appointment of, and fixing of the remuneration of the Auditors is to be transacted, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature or concern (financial or otherwise) and extent of the interest, if any, therein of every Director, Key Managerial Personnel and their Relatives (if any). Where any item of business consists of the approval of any document the time and place where the document can be inspected shall be specified in the statement aforesaid. Notice of meeting
185. The accidental omission to give any such notice as aforesaid to any Member, or other person to whom it should be given or the non-receipt thereof, shall not invalidate any resolution passed at any such Meeting. Omission to give notice not to invalidate a resolution passed.
186. No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened. Meeting not to transact business not mentioned in notice.
187. The quorum for a General Meeting shall be 5(five) Members personally present including the presence of 2(two) Promoter(s). No business shall be transacted at any General Meeting, unless 5(five) Members including 2(two) Promoter(s) are personally present. A Body Corporate being a Member shall be deemed to be personally present if represented in accordance with Section 113 of the Act. Quorum
188. If, at the expiration of half an hour from the time appointed for the meeting a quorum of Members is not present, the meeting, if convened by or upon the requisition of Members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week or if that day is a National Holiday until the next succeeding day which is not a National Holiday, at the same time and place or to such other day and at such other time and place as the Board may determine; and If quorum not present, Meeting to be dissolved and adjourned

if at such adjourned meeting a quorum of Members is not present at the expiration of half an hour from the time appointed for the meeting, the said meeting shall stand adjourned *sine die* without transacting any business for which the meeting was called.

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| 189. | The Chairperson of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting, the Members present shall elect one of the Directors or Members present, who shall be nominated by KRC or BKC in writing, to preside at the meeting and such chairperson shall not have any casting vote. | Chairperson of General Meeting |
| 190. | <ul style="list-style-type: none"> e. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting including the Promoter(s) adjourn the meeting from time to time and from place to place. f. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. g. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. h. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | Chairperson with consent may adjourn meeting |
| 191. | In the case of an equality of votes the Chairperson shall on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a Member. | Chairperson's casting vote. |
| 192. | If at any General Meeting of the Company, if either KRC or BKC is not present within fifteen minutes after the time appointed for holding the same, the Members present shall elect one of the Directors or Members present, who shall be nominated by KRC or BKC in writing, to preside at the meeting and such chairperson shall not have any casting vote. | No casting vote to a person other than the Chairperson. |
| 193. | If a poll is demanded as aforesaid the same shall, be taken in such manner as prescribed under the Act. | Poll to be taken, if demanded. |
| 194. | The demand for a poll except on the question of the election of the Chairperson and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. | Demand for poll not to prevent transaction of other business. |
| 195. | No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or be reckoned in a quorum in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien. | Members in arrears not to vote. |
| 196. | Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every Member present in person shall have one vote and upon a poll the Voting Right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall | Number of votes each Member entitled. |

have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

197. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian: and any such committee or guardian may, on a poll, vote by proxy; if any Member be minor, the vote in respect of his share shall be by his guardian, or any one of his guardians if more than one, to be selected in case of dispute by the Chairperson of the Meeting. How Members non-compos mentis and minor may vote.
198. On a poll taken at a meeting of the Company, a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. Casting of votes by a Member entitled to more than one vote.
199. d. If there be joint registered holders of any share any one of such Persons may vote at any Meeting either personally or by proxy in respect of such shares, as if he were solely entitled thereto. Votes of joint Members
- e. If more than one of such joint-holders be present at any Meeting either personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said Persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.
- f. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
200. Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly authorized as mentioned in Articles. At any General Meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under Section 109, be decided on a show of hands. Votes may be given by proxy or by representative
201. A Body Corporate (whether a company within the meaning of the Act or not) may, if it is Member or creditor of the Company (including being a holder of debentures or any other Securities) authorize such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the Members or creditors of the Company or Debenture holders of the Company. A person authorized by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the Body Corporate as if it were an individual Member, creditor or holder of Debentures of the Company. Representation of a Body Corporate.
202. A Member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any Voting Rights in respect of the moneys paid until the same would, but for this payment, become presently payable. Members paying money in advance.
203. A Member is not prohibited from exercising his Voting Rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken. Members not prohibited if share not held for any specified period.
204. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under Article 33 (Transfer of Shares) of these Articles of Association, to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the Votes in respect of shares of deceased or insolvent Members.

meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

205. No Member shall be entitled to vote on a show of hands through Proxy unless such Member is present personally or by attorney or is a Body Corporate present by a representative duly Authorized under the provisions of the Act in which case such Members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment. No votes by proxy on show of hands.
206. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid. Appointment of a Proxy.
207. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a notarial certified copy of that power of attorney, shall be deposited at the office not less than forty-eight hours before the time for holding the Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. Deposit of instrument of appointment.
208. An instrument appointing a proxy shall be in the form as prescribed in the Rules made under Section 105. Form of proxy.
209. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used. Validity of votes given by proxy notwithstanding death of a Member.
210. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and every adjournment thereof or every meeting of the Company or every meeting to be held before a date not being later than twelve months from the date of the instrument specified in the instrument and every adjournment of every such meeting. Proxy either for specified meeting or for a period.
211. No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever. Time for objections to votes.
212. The Chairperson of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairperson present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. Chairperson of the Meeting to be the judge of validity of any vote.
213. i. Except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Secretarial Standards on General Meetings and Meetings of Board of Directors as issued by the Institute of Company Secretaries of India (a statutory body under the Act of Parliament), the Company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution Minutes of General Meeting and Board and Other Meeting

passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned in books kept for that purpose with their pages consecutively numbered.

- j. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - k. Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting or each report in such books shall be dated and signed by the Chairperson of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that chairperson within that period, by a director duly authorised by the Board for the purpose. In case of every resolution passed by postal ballot, by the Chairperson of the Board within the aforesaid period of thirty days or in the event of there being no chairperson of the Board or the death or inability of that chairperson within that period, by a director duly authorized by the Board for the purpose.
 - l. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by pasting or otherwise.
 - m. All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
 - n. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairperson of the meeting:
 - i. is or could reasonably be regarded as, defamatory of any person, or
 - ii. is irrelevant or immaterial to the proceedings, or
 - iii. is detrimental to the interests of the Company.
- The Chairperson of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- o. Any such minutes shall be evidence of the proceedings recorded therein.
 - p. The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.

Board of Directors

- 214. a. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than 3 (three) and not more than 15(fifteen). Provided that a Company may appoint more than 15 (fifteen) directors after passing a special resolution.
- b. Unless otherwise required by the applicable provisions of the Act, notwithstanding what is stated hereinabove, the Promoter(s), subject to the provisions of Article 101, shall be entitled to appoint and nominate all the Directors other than Independent Directors to the Board. Except the Promoter(s), any Director(s) so appointed shall retire annually and seek reappointment at the Annual General Meeting of the Company and in terms of the provisions of Section 152 of the Act, such appointment will take effect upon the necessary resolution being passed at the Annual General Meeting.

215. Subject to provisions of the Act and the Rules framed thereunder and the approval of the Promoter(s) the Board may from time to time, appoint Managing Director / Whole-time Director / Manager for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit. Managing Director /
Whole-time Director /
Manager
216. c. Subject to provisions of the Act and the Rules framed thereunder and the approval of the Promoter(s), the Board shall have power at any time, to appoint Additional Director, provided that the number of the directors and Additional Director together shall not at any time exceed the maximum strength fixed for the Board by Articles. Additional Director
- d. Such person shall hold office only up to the date of next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to provisions of the Act, the Rules framed thereunder.
217. d. The Board, subject to the approval of the Promoter(s), or a resolution passed by the Company in general meeting, subject to the approval of the Promoter(s), may appoint a person not being a person holding any alternate Directorship for any other Director in the Company appoint an alternate director to act for a director (hereinafter called as "Original Director") during his absences for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. Alternate Director
- e. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- f. If the term of office of Original Director is determined before he returns to India the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the alternate director.
218. Subject to Section 167 of the Act, the office of a Director shall be vacated if: When office of
Directors to be
vacated.
- i. he incurs any of the disqualifications specified in Section 164 of the Act;
- j. he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- k. he acts in contravention of the provisions of Section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- l. he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184;
- m. he becomes disqualified by an order of a Court or the Tribunal;
- n. he is convicted by a Court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:
- Provided that the office shall be vacated by the Director even if he has filed an appeal against the order of such Court;
- o. he is removed in pursuance of the provisions of the Act;
- p. he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

- q. he, having been appointed as a nominee Directors by the Promoter(s), upon receipt of notice by the Board from the Promoter(s), informing the Board of the withdrawal of his nomination by Promoter(s).
219. The Company may by an ordinary resolution remove any Director (not being a Director appointed by the Tribunal in pursuance of Section 242 of the Act) in accordance with the provisions of Section 169 of the Act. A Director so removed shall not be re-appointed as a Director by the Board of Directors. Removal of Director
220. Subject to the provisions of Section 168 of the Act a Director may at any time resign from his office upon giving notice in writing to the Company of his intention so to do, and thereupon his office shall be vacated. Resignation of Director
221. c. If the office of any Director appointed by the Company in its General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, subject to the approval of the Promoter(s), be filled the Board of Directors at its Board Meeting. Directors' power to fill casual vacancies.
- d. The Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated.
222. c. Until otherwise determined by the Board, each Director other than the Managing/Whole-time Director (shall be entitled to sitting fees not exceeding a sum prescribed in the Act and the Rules framed thereunder for attending meetings of the Board or Committees thereof. Sitting fees & remuneration
- d. If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration otherwise provided.
- PROCEEDING OF THE BOARD OF DIRECTORS**
223. c. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. Meetings of Directors.
- d. A Director or Promoter may, and the Secretary on the requisition of a Director or Promoter shall, at any time, summon a meeting of the Board.
224. The Board of Directors shall be entitled to hold its meeting through video conferencing or other permitted means, and in conducting the Board meetings through such video conferencing or other permitted means the procedures and the precautions as laid down in the relevant Rules shall be adhered to. With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting. Meeting through Video Conferencing
225. Subject to provisions of Section 173(3) of the Act, notice of not less than 7 (seven) days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the Company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business. Notice of Meetings
226. d. The quorum for a meeting of the Board shall be 1/3rd (one-third) of its total strength (any fraction contained in that one third being rounded off as one), or two Directors whichever Quorum for Meetings

is higher which shall include the Promoter(s) and the Directors participating by video conferencing or by other permitted means shall also counted for the purposes of quorum as provided in this Article.

- e. Provided that interested Director may participate in the board meeting, after disclosing his interest.
 - f. Provided further that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.
 - g. Provided lastly that if for any reason the Promoter(s) are unable to attend the Board Meeting, the quorum shall be said to be constituted without their presence if the Promoter(s) give their written consent that the proceedings of the said Board Meeting can be held without their presence.
227. a. In the event of KRC resigning as the Chairperson of the Company or in the event of the death of KRC, his wife BKC, Director of the Company shall be the Chairperson of the Company during her lifetime or until she resigns of her own accord. Save and except as provided hereinabove, the Chairman and all the members of the Board of the Company shall only and always be nominated by the Promoters. All the shareholders of the Company and the Board of Directors shall pass all necessary resolutions to give effect to such nomination as and when made by the Promoters. Chairperson
- b. If at any meeting of the Board, if either KRC or BKC is not present within fifteen minutes after the time appointed for holding the same, the Directors present shall elect one of the Directors present, who shall be nominated by KRC or BKC in writing, to preside at the meeting and such chairperson shall not have any casting vote.
228. Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairperson will have a second or casting vote. Questions at Board meeting how decided.
229. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose. Continuing directors may act notwithstanding any vacancy in the Board
230. Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member(s) as it thinks fit, including member(s) nominated by KRC and/or BKC and it may from time to time revoke and discharge any such Committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Directors may appoint committee.
231. The Meetings and proceedings of any such Committee of the Board any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. Committees of the Board to conform to Board regulations
232. a. Unless otherwise required under the Act, KRC or BKC or a Director nominated as such Chairperson of

by KRC or BKC shall be the Chairperson of Committee Meetings.

Committee Meetings

- b. If there be no such Chairperson present within fifteen minutes of the time appointed for holding such Meeting subject to prior written approval of KRC or BKC, the Directors or Members present may elect one of the Directors so approved and present to preside at the meeting.

233. The Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of the Committee shall be determined by a majority of votes of the members present including the Promoter(s) and in case of an equality of votes, the Chairperson shall have a second or casting vote. Meetings of the Committee

234. Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Acts of Board or Committee shall be valid notwithstanding defect in appointment.

235. A resolution not being a resolution required by the said Act or otherwise to be passed at a meeting of the Directors, may be passed without any meeting of the Directors or of a committee of Directors provided that the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee as the case may be, at their addresses registered with the Company in India, by hand delivery or by post or courier or through electronic means as permissible under the relevant Rules and has been approved by a majority of the Directors including the Promoter(s) as are entitled to vote on the resolution. Resolution by Circulation

Accounts

236. h. The Directors shall keep or cause to be kept at the Registered Office of the Company or at such place in India as the Board thinks fit proper Books of Accounts in respect of: Accounts

- i. all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;

j. all sales and purchase of goods by the Company; and

k. the assets and liabilities of the Company.

l. The items of cost, if any as specified in the relevant Rules.

m. Proper Books of Accounts shall also be kept at each branch office of the Company, whether in or outside India, relating to the transactions of that office and proper summarised returns made up to dates at intervals of not more than three months shall be sent by each branch office to the Company at its Registered Office of the Company or the other place referred to in Article 110(a) hereof.

n. The Directors shall comply in all respects with Sections 128, 129, 133, 134, 136, to 138 of the said Act and any statutory modifications thereof.

237. The Directors shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection to the Members not being Directors; and no Member (not being a Director) shall have any right of inspection of any account or book or document of Inspection Members allowed to when

the Company except as conferred by law or authorised by the Directors

238. Subject to Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each Financial Year. Financial Statements to be laid before the Member
239. The Financial Statements shall give a true and fair view of the state of affairs of the Company at the end of the period of the account. Contents of Financial Statements
240. The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. Financial Statements how to be signed
241. The Directors shall make and attach to every balance sheet laid before the Company in General Meeting a Report of the Board of Directors which shall comply with the requirements of and shall be signed in the manner provided by Section 134 of the said Act.
242. c. A copy of every Financial Statements (including consolidated Financial Statements, the Auditors' Report and every other document required by law to be annexed or attached, as the case may be, to the Financial Statement) which is to be laid before the Company in General Meeting shall not less than twenty one days before the date of meeting be sent to every Member, every trustee for the debenture holder of any debentures issued by the Company, to the Auditors of the Company, and every Director of the Company. If the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by ninety five percent of the Members entitled to vote at the meeting. The accidental omission to send the documents aforesaid, to or the non-receipt of the documents aforesaid by, any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting. Right of Members to copies of Financial Statements and Auditors' Report
- d. Any Member or holder of debentures of the Company whether he is or is not entitled to have copies of the Company's Financial Statements sent to him, shall on demand, be entitled to be furnished without charge, and any person from whom the Company has accepted a sum of money by way of deposit shall on demand accompanied by the payment of a fee of fifty rupees, be entitled to be furnished with a copy of the last Financial Statements and every other documents required by law to be annexed or attached thereto.
243. c. A copy of the Financial Statement, including consolidated Financial Statement, if any, along with all the documents which are required to be or attached to such Financial Statements under this Act, duly adopted at the Annual General Meeting of the Company, shall be filed with the Registrar within thirty day's of the Annual General Meeting. Copy of Financial Statements etc. be filed
- d. If the Annual General Meeting before which a Financial Statement is laid as aforesaid does not adopt the Financial Statements, the un-adopted Financial Statements together with the other documents that are required to be attached to the Financial Statements shall be filed with the Registrar within thirty days of the Annual General Meeting. Thereafter, the Financial Statements adopted at the adjourned Annual General Meeting shall be filed with the Registrar within thirty days of such adjourned Annual General Meeting.
244. Every account when audited and approved by a General Meeting shall be conclusive. When accounts to be deemed finally settled

Powers of Board

245. Subject to the provisions of the Act and to the provisions of these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and generally do all such acts and

things as are or shall be by the said Act, and the Memorandum of Association and these presents directed or authorized to be exercised, given, made or done by the Company and are not thereby or hereby expressly directed or required to be exercised, given, made or done by the Company in General Meeting but subject to such regulations (if any) being not inconsistent with the said provisions as from time to time may be prescribed by the Company in General Meeting provided that no regulation so made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been made.

246. Notwithstanding anything contained in the Articles, no action or decision relating to any of the Reserved Matters whether by the Board, any Committee, the Shareholders of the Company, its Subsidiaries, or any of the employees, officers or managers of the Company without an affirmative vote of Promoter(s) in any General Meeting of shareholders and/or the consent of all the Promoter(s) as the case may be at the Meeting of Board or Committee thereof as the case may be. The Reserved Matters shall comprise of following: Reserved matters

- i. Any amendment to the Memorandum or Articles of Association of the Company in any manner.
- ii. Deciding on the conversion, merger, restatement and spin-off of the Company, its dissolution and liquidation (and cease of the liquidation status), election and dismissal of the liquidators and approval of their accounts.
- iii. Appointment, re-appointment, removal of statutory auditor/cost auditor/ internal auditor/secretarial auditor.
- iv. Sale, disposal off any undertaking of the Company.
- v. Disinvestment of shares of any subsidiary.
- vi. Change of situation of the Registered office of the Company outside the State of Maharashtra.
- vii. Any recapitalisation, any change in the authorised or issued share capital of the Company, whether by way of a issue of shares, buy-back of shares otherwise than the Shares held by the Promoter(s) or reduction of capital.
- viii. Any dissolution, winding up or liquidation of the Company and/or its subsidiaries (including taking any steps or passing any resolution towards the same).
- ix. Commencing any other business other than the existing business.
- x. Appointment, renewal, termination, powers, roles and responsibilities and variation in terms and conditions of Managing Director and Whole Time Director.
- xi. Borrowing money in excess of paid-up share capital and free reserves of the Company.
- xii. To authorize the execution of any agreements or commitments that may be considered not part of the regular course of the Company's business.
- xiii. To prepare and/or to approve the participation of the managers, employees and service renderers of the Company in its profits and also the granting of any bonuses and or incentives to such persons, including by stock option plans.

Borrowing Powers

247. f. Subject to the provisions of Sections 73, 179 and 180 of the Act and the other applicable provisions of these Articles, any funds required by the Company for its working capital

and other capital funding requirements shall be made in the form of demand loans, and / or guarantees to be provided by the Company, as decided by the Board of Directors

- g. Subject to Sections 73, 179 and 180 of the Act, the Board may from time to time at their discretion raise and borrow and may themselves lend and secure the payment of any sum or sums of money for the purpose of the Company.
- h. The Board may raise or secure the repayment of such sum or sums in the manner and upon such terms and conditions in all respects as they deem fit and particularly by creation of any mortgage or charge on the undertaking of the whole or any part of the property, or future, or uncalled Capital of the Company or by the issue of bonds, redeemable debentures or debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled Capital for the time being.
- i. Debentures, debenture-stock, bond or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
- j. Any Debentures, debenture-stock, bond or other securities may be issued at discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotment of shares.

The Seal

- 248. c. The Board shall provide for the safe custody of the seal.
- d. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of a Director and the secretary or such other person as the Board may appoint for the purpose; and such Director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. In absence of the Director of the Company, the seal of the Company shall be affixed by at least two authorised officers of the Company authorized in that behalf and such authorised officers shall sign every instrument to which the seal of the Company is so affixed in their presence.

Dividend and Reserve

- 249. n. The Company in General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser Dividend.
- o. Subject to the provisions of the Section 123, the Board may from time to time pay to the Members such interim Dividends as appear to it to be justified by the profits of the Company.
- p. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing Dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- q. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

- r. Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividends, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the Dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, Dividends may be declared and paid according to the amounts of the shares.
- s. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Regulation as paid on the share, including to confer a right to dividend or to participate in profits.
- t. All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any share is issued on terms providing that it shall rank for Dividend as from a particular date such share shall rank for Dividend accordingly.
- u. The Board may deduct from any Dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- v. Any Dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
- w. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- x. Any one of two or more joint holders of a share may give effective receipts for any Dividends, bonuses or other monies payable in respect of such share.
- y. Notice of any Dividend that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act.
- z. No Dividend shall bear interest against the Company.

250.

Dividend Distribution Policy

Preamble

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the '**Listing Regulations**'). The Board of Directors of Allied Blenders and Distillers Private Limited (the "**Company**"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("**the Policy**") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

Objective

The Company aimed at maximization of shareholders' value and believes that this can be attained by driving growth. The Policy endeavors to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained

for growth of the Company and other needs. The objective of the Policy is to lay down a consistent approach to dividend declaration.

Effective Date

Dividend Distribution Policy shall be effective from the date of its approval by the Board of Directors.

Policy Framework

The Policy has been formulated in line with the provisions of the Companies Act, 2013, Regulations issued by SEBI and other guidelines, to the extent applicable on the Company. Any subsequent amendments in these provisions would, ipso-facto, apply to this Policy. The Policy is not an alternative to the decision taken by the Board regarding declaration/recommendation of dividend after considering the various relevant factors.

Dividend

Dividend is the amount paid by the Company out of profits, to its Shareholders in proportion to the amount paid up on the shares held by the shareholders. As per the provisions of the Companies Act, 2013, the dividend can be paid as interim or final.

Interim Dividend

-
- (e) The Board of Directors of the Company shall declare the interim dividend during the financial year, as and when they consider it fit to so declare.
- (f) The interim dividend can be declared by the Board of Directors one or more times in a financial year and normally, the Board may consider the declaration of interim dividend after the finalization of the quarterly/half yearly financial statements of the Company.
- (g) The interim dividend, if declared, shall be paid to the eligible shareholders, as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable. First interim dividend, if any, may be declared in the Board Meeting convened for approving financial statements for the 2nd quarter/half –year, and 2nd interim dividend, if any, may be declared at the time of approving financial statements for the 3rd quarter of the financial year.
- (h) In case no final dividend is declared by the Company, interim dividend paid during the financial year, if any, shall be considered as final dividend at the Annual General Meeting of the Company.

Final Dividend

- (d) The final dividend, if any, is paid once in a financial year after the preparation of the annual financial statements.
- (e) The Board of Directors shall recommend the final dividend to the Shareholders for their approval in the Annual General Meeting of the Company. The declaration of final dividend, if any, shall be included in the ordinary business items to be transacted at the Annual General Meeting of the Company.
- (f) The final dividend shall be paid to the eligible shareholder's subject as per provisions of the Companies Act, 2013, SEBI Regulations and other laws, to the extent applicable.

Circumstances under which the Shareholders of the Company may or may not expect dividend

The decision regarding dividend payout is a vital decision, as it determines the amount of the profit to be distributed among its shareholders and the amount of the profit to be retained in business for the future growth and modernization expansion plan of the Company. The Company would continue to adopt a progressive and dynamic dividend distribution policy to ensure its immediate and long term requirements along with rewarding the Shareholders of the Company. Dividend for the financial year shall be decided/recommended by the Board, considering, statutory, economic, market, industry, external and internal factors.

The Company may not declare dividend or declare dividend at a lower rate under the following circumstances:

- (e) in the event of the Company making losses or the profits are inadequate;
- (f) where the Company is having requirement of funds for Capex requiring high capital allocation, working capital, repayment of loans taken in the past;
- (g) inadequate availability of cash; and
- (h) higher cost of raising funds from alternate sources

It may be noted that declaration of dividend shall be subject to the provisions of Companies Act, 2013, SEBI Regulations.

Parameters for Dividend Distribution

- The Company has only one class of shares i.e. Equity shares and, hence, the parameters disclosed here under apply to the same.
- The Board while considering payment of dividend for a financial year may, *inter alia*, consider the following factors:
 - All carried over previous year's losses and depreciation not provided in previous year or years are set off against profit of the Company of the Current year;
 - Current year's depreciation charge has been duly provided for and there is balance in the Profit and Loss account after providing for past accumulated losses and current year depreciation and depreciation of previous periods;
 - Amounts transferred to reserves as may be stipulated;
 - Compliance with FEMA Regulations and Rules prescribed from time to time by Reserve Bank of India for payment of dividend to Non Residents;
 - Unpaid dividend, if any, shall be transferred to Investor Education and Protection Fund as per the provisions of the Companies Act, 2013;
 - Profit for the financial year as well as general reserves of the Company.
 - Projections of future profits and cash flows;
 - Borrowing levels and the capacity to borrow including repayment commitments;
 - Present and future Capital expenditure plans of the Company including organic/inorganic growth avenues;
 - Applicable taxes including tax on dividend;
 - Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by Government of India;
 - Past dividend trend for the Company and the industry;
 - State of economy and capital markets; and
 - Any other applicable laws and regulations in this respect.
 - Any other factor as may be deemed fit by the Board.

Other important internal and external factors to be considered by the Board

In addition to the aforesaid parameters such as realized profits and proposed major capital expenditures, the decision of dividend payout or retention of profits shall also be based on the following factors/ parameters:

- 7 **Cash flow** – If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board will consider the same before its decision whether to declare dividend or retain its profits.
- 8 **Cost of borrowings** – The Board will analyze the requirement of necessary funds considering the long term or short term projects proposed to be undertaken by the Company and the viability of the options in terms of cost of raising necessary funds from external sources such as bankers, lending institutions or by issuance of debt securities or plough back its own funds.
- 9 **Taxation and other regulatory concern** - Dividend distribution tax or any tax deduction at source as required by tax regulations in India, as may be applicable at the time of declaration of dividend and its impact on the finances of the Company.
- 10 **Macroeconomic conditions** - Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.
- 11 **Past performance/ Dividend history and reputation of the Company** - The standing of the Company in the business space, its dividend payment history and the impact of the decision on overall reputation of the Company.
- 12 Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

DIVIDEND PAYOUT RATIO

Dividend for every financial year shall be decided and recommended by Board considering various statutory requirements, financial performance of the company and other internal and external factors enumerated earlier in the policy. The Board of directors shall endeavor to maintain the Dividend Payout Ratio* (Dividend/ Net Profit after Tax for the year) as near as possible to 50% or more of the Company's consolidated profit after tax or more, subject to the following

- Company's need for Capital for its growth plan
 - Positive Cash Flow
- (* to be reviewed every 2 to 3 years, if need be)

GENERAL

- In the event of the Policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.

The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the Policy as it may deem fit or in accordance with the guidelines and regulations as may be issued by Securities and Exchange Board of India, Government of

India or any other regulatory authority. The change in the policy shall, however, be disclosed along with the justification thereof on the Company's website and in the ensuing annual report of the Company in accordance with the extant regulatory provisions.

Winding up

251. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
- c. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - d. For the purpose aforesaid, the liquidator may set such value as he deems fair upon a property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
 - e. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

252. Every Officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the Court or the Tribunal.
253. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

254. c. No shareholder shall be entitled to visit or inspect any works of the Company without the permission of the Board of Directors of the Company including the Promoter(s) or any other person authorised on that behalf by the Board of Directors of the Company including the Promoter(s), to require discovery of any details in relation to the Company's business which is or may be in the nature of a trade secret, confidential information or any other matter which may relate to the conduct of the business of the Company which in the opinion of the Board of Directors of the Company including the Promoter(s) would be inexpedient in the interest of the Company to disclose. Secrecy
- d. Every Director, Manager, Auditor, trustee, member of a committee, Officer, servant and accountant or other persons employed in the business of the Company shall before entering upon his duty sign a declaration, pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with the individual and in matter relating thereto and shall by such declaration pledge himself not to release any of the matters may come to his knowledge in the course of his duties except when required so to do by the Directors or by any meeting or a court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained or by the Act or any other law.

255. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. General powers

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the RoC. Copies of the abovementioned documents and contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days and will also be available at the website of our Company at www.abdindia.com from the date of the Red Herring Prospectus until the Bid / Offer Closing Date, except for such contracts and documents that will be executed subsequent to the completion of the Bid/Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A. Material contracts for the Offer

1. Offer Agreement dated June 27, 2022 entered into between our Company, the Selling Shareholders and the Book Running Lead Managers.
2. Registrar Agreement dated June 23, 2022 entered into between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow and Sponsor Banks Agreement dated [●] entered into between our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, Syndicate Members and the Banker(s) to the Offer.
4. Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholders, the Book Running Lead Managers, the Syndicate Members and the Registrar to the Offer.
6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholders and the Underwriters.
7. Monitoring Agency Agreement dated [●] between our Company and the Monitoring Agency.

B. Material documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated October 8, 2008.
3. Fresh certificate of incorporation issued upon conversion to a public limited company dated June 8, 2022.
4. Resolution of the Board of Directors and Shareholders dated March 31, 2022 and April 1, 2022, respectively in relation to the Offer and other related matters.
5. Resolution of the Board of Directors and IPO Committee of our Company dated June 23, 2022 and June 27, 2022, respectively, approving this Draft Red Herring Prospectus.
6. Consent letter from Bina Kishore Chhabria dated June 22, 2022 consenting to participate in the Offer for Sale

and approving the inclusion of its name as a Selling Shareholder.

7. Consent letter from Resham Chhabria Jeetendra Hemdev dated June 22, 2022 consenting to participate in the Offer for Sale and approving the inclusion of its name as a Selling Shareholder.
8. Consent letter from Neesha Kishore Chhabria dated June 22, 2022 consenting to participate in the Offer for Sale and approving the inclusion of its name as a Selling Shareholder.
9. Consent dated June 21, 2022 from Technopak to rely on and reproduce part or whole of the report, "*Indian Alco-Beverage Market*" and include their name in this Draft Red Herring Prospectus.
10. Industry report titled "*Indian Alco-Beverage Market*" dated June 21, 2022 prepared by Technopak.
11. Letter of appointment dated March 23, 2022, appointing Technopak for the preparation of the Technopak Report.
12. Written consent dated June 24, 2022 from Walker Chandiook & Co LLP, Chartered Accountants, to include their name as required under Section 26(1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors and in respect of their (i) examination report dated June 13, 2022 on our Restated Consolidated Financial Information, and (ii) their report dated June 24, 2022 on the statement of possible special tax benefits, in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.
13. Written consent dated June 27, 2022, from the independent chartered accountant, namely S D T & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013.
14. Written consent dated June 23, 2022, from the chartered engineer, Sunil Bhor & Associates, to include their name in this Draft Red Herring Prospectus and as an "expert" as defined under Section 2(38) of the Companies Act, 2013.
15. Copies of annual reports of our Company for Financial Years 2021, 2020, and 2019.
16. Scheme of amalgamation sanctioned by the High Court of Bombay, pursuant to an order dated December 5, 2015, of Wales Distillers Private Limited with our Company.
17. Scheme of amalgamation sanctioned by the National Company Law Tribunal, Mumbai Bench, pursuant to an order dated April 5, 2017, of Unokoti Bottling and Beverage Private Limited with our Company.
18. Demerger of the bottling and distillery business undertaking from Tracstar Investment Private Limited into our Company, pursuant to an order of the National Company Law Tribunal, Mumbai Bench, dated April 6, 2017.
19. Scheme of amalgamation sanctioned by the National Company Law Tribunal, Mumbai Bench, pursuant to an order dated May 16, 2018, of Erstwhile BKCEPL with our Company.
20. Scheme of amalgamation sanctioned by the National Company Law Tribunal, Mumbai Bench, pursuant to an order dated July 27, 2020, Henkell & Company India Private Limited with our Company.
21. Memorandum of Understanding dated October 30, 2020 entered into between Madanlal Estates Private Limited and our Company.
22. Memorandum of Understanding dated October 30, 2020 entered into between ABD Dwellings Private

Limited and our Company.

23. Memorandum of Understanding dated April 12, 2022 amongst Rajesh Ankushrao Tope, OSCORP Trade Services Private Limited and our Company.
24. Agreement for sale of equity shares and compulsorily convertible debentures dated June 15, 2022 amongst ABD Dwellings, Bina Kishore Chhabria, Resham Chhabria Hemdev, and Neesha Kishore Chhabria and our Company.
25. Agreement for sale of equity shares and compulsorily convertible debentures dated June 15, 2022 amongst Madanlal, Bina Kishore Chhabria, Resham Chhabria Hemdev, and Neesha Kishore Chhabria and our Company.
26. Contract of Employment for Executive Director dated June 9, 2022 appointing Kishore Rajaram Chhabria as Whole-Time Director (Chairman) of our Company.
27. Contract of Employment for Executive Director dated June 9, 2022 appointing Resham Chhabria Jeetendra Hemdev as Whole-Time Director (Vice Chairperson) of our Company.
28. Contract of Employment for Executive Director dated June 9, 2022 appointing Shekhar Ramamurthy as Whole-Time Director (Executive Deputy Chairman) of our Company.
29. Consent of our Directors, Selling Shareholders, BRLMs, the legal counsel to the Company and Selling Shareholders, the legal counsel to the Book Running Lead Managers, as to Indian Law, international legal counsel to the Book Running Lead Managers, Registrar to the Offer, the Independent Chartered Accountant, Banker(s) to the Offer, Independent Chartered Engineer, Bankers to our Company, Company Secretary and Compliance Officer, Chief Financial Officer, as referred to act, in their specific capacities.
30. Tripartite agreement dated March 13, 2018, among our Company, NSDL and the Registrar to the Offer.
31. Tripartite agreement dated February 23, 2018, among our Company, CDSL and the Registrar to the Offer.
32. Due diligence certificate dated June 27, 2022 addressed to SEBI from the Book Running Lead Managers.
33. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.
34. SEBI observation letter bearing reference number [●] dated [●].

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Kishore Rajaram Chhabria

Whole-Time Director (Chairman)

Date: June 27, 2022

Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Bina Kishore Chhabria

Non-Executive Director and Co-Chairperson

Date: June 27, 2022

Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Resham Chhabria Jeetendra Hemdev

Whole-Time Director (Vice Chairperson)

Date: June 27, 2022

Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Shekhar Ramamurthy

Whole-Time Director (Executive Deputy Chairman)

Date: June 27, 2022

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Maneck Navel Mulla

Non-Independent, Non-Executive Director

Date: June 27, 2022

Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Nasser Mukhtar Munjee

Independent Director

Date: June 27, 2022

Place: Ahmedabad

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Balaji Viswanathan Swaminathan

Independent Director

Date: June 27, 2022

Place: Singapore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Paul Henry Skipworth

Independent Director

Date: June 27, 2022

Place: Edinburgh, UK

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Vivek Anilchand Sett

Independent Director

Date: June 27, 2022

Place: Pune

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Director of our Company

Rukhshana Jina Mistry

Independent Director

Date: June 27, 2022

Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules framed and guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act 2013, the SCRA, the SCRR, the SEBI Act or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Chief Financial Officer of our Company

Ramakrishnan Ramaswamy

Chief Financial Officer

Date: June 27, 2022

Place: Mumbai

DECLARATION BY BINA KISHORE CHHABRIA, AS A SELLING SHAREHOLDER

I, Bina Kishore Chhabria, hereby confirm that all statements and undertakings made by me in this Draft Red Herring Prospectus, solely and specifically in relation to myself and my respective portion of the Equity Shares being sold in the Offer for Sale, are true and correct. I assume no responsibility for any of the statements made by the Company or any other person(s) in this Draft Red Herring Prospectus.

Bina Kishore Chhabria

Date: June 27, 2022

Place: Mumbai

DECLARATION BY RESHAM CHHABRIA JEETENDRA HEMDEV, AS A SELLING SHAREHOLDER

I, Resham Chhabria Jeetendra Hemdev, hereby confirm that all statements and undertakings made by me in this Draft Red Herring Prospectus, solely and specifically in relation to myself and my respective portion of the Equity Shares being sold in the Offer for Sale, are true and correct. I assume no responsibility for any of the statements made by the Company or any other person(s) in this Draft Red Herring Prospectus.

Resham Chhabria Jeetendra Hemdev

Date: June 27, 2022

Place: Mumbai

DECLARATION BY NEESHA KISHORE CHHABRIA, AS A SELLING SHAREHOLDER

I, Neesha Kishore Chhabria, hereby confirm that all statements and undertakings made by me in this Draft Red Herring Prospectus, solely and specifically in relation to myself and my respective portion of the Equity Shares being sold in the Offer for Sale, are true and correct. I assume no responsibility for any of the statements made by the Company or any other person(s) in this Draft Red Herring Prospectus.

Neesha Kishore Chhabria

Date: June 27, 2022

Place: London