



Industries Limited

**THIRTY SECOND ANNUAL REPORT
2020-2021**

BLOSSOM

Industries Limited

32nd Annual Report 2020-21

BOARD OF DIRECTORS

Mr. Satan S. Bharwani	(DIN: 00183286)	Chairman Emeritus
Dr. S. D. Israni	(DIN: 00125532)	Chairman & Independent Director
Mr. Amit Khemani	(DIN: 00057283)	Managing Director
Mr. Vincent Vaz	(DIN: 02067875)	Whole-time Director-cum-CFO
Mr. D. T. Khilnani	(DIN: 01824655)	Independent Director
Padmashree Ms. Lila Poonawalla	(DIN: 00074392)	Independent Director
Dr. P. Kotaiah	(DIN: 00038420)	Independent Director
Mr. P. R. Barpande	(DIN: 00016214)	Independent Director
Mr. Harsh Vardhan Jajoo	(DIN: 00758308)	Independent Director

COMPANY SECRETARY

Mr. Haresh Thakkar

STATUTORY AUDITORS

M/s. CNK & Associates LLP
Chartered Accountants,
Mumbai

INTERNAL AUDITOR

Aneja Associates
Chartered Accountant,
Mumbai

REGISTRAR AND TRANSFER AGENT (R & TA)

M/s. Link Intime India Pvt. Ltd
C 101, 247 Park, L B S Marg,
Vikhroli - West, Mumbai – 400 083
Tel No: 022 - 4918 6270
Fax No: 022 - 4918 6060
Email: rnt.helpdesk@linkintime.co.in

SECRETARIAL AUDITOR

M/s. VPP & Associates
Practising Company Secretaries,
Mumbai

REGISTERED OFFICE & PLANT

Village Jani Vankad,
Nani Daman, Daman - 396210 (U.T.)

COST AUDITOR

Mr. Girikrishna Maniar
Cost Accountant,
Mumbai



NOTICE

To,

The Members,

BLOSSOM INDUSTRIES LIMITED

Notice is hereby given that the **Thirty-Second** Annual General Meeting of the Members of **BLOSSOM INDUSTRIES LIMITED** will be held on Saturday, 11th September 2021 at 11.00 a.m. with video conference facility (VC)/ other audio visual means (OAVM) to transact the business mentioned hereunder:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement comprising of the Balance Sheet as at March 31, 2021, Statement of Profit & Loss, Cash Flow Statement for the year ended on that date together with the Notes and the Reports of the Board of Directors (the Board) and the Auditor thereon.
2. To appoint a Director in place of Mr. Vincent Vaz (DIN: 02067875), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all the other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Vincent Vaz, (DIN: 02067875) as the Whole-time Director-cum-Chief Financial Officer (CFO) of the Company, liable to retire by rotation, for a period of three (3) years with effect from 28th January, 2022 till 27th January, 2025, on the terms and conditions, including remuneration, as stated in the draft agreement to be entered into between the Company and Mr. Vincent Vaz and submitted to this meeting and initialled by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Vincent Vaz as the Whole-time Director-cum-CFO, the Company has no profits or its profits are inadequate, he shall be paid remuneration including perquisites as permitted under Schedule V of the Companies Act, 2013, as amended from time to time, subject to the approval of the Central Government, if and to the extent necessary and applicable.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which shall include duly authorized Nomination and Remuneration Committee thereof for the time being in force exercising the powers conferred upon it by the Board) be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to

this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment, including but not limited to the remuneration payable to Mr. Vincent Vaz, from time to time, in accordance with and subject to the limits as stated in the draft agreement or as may be stipulated by the Central Government, if and to the extent necessary and applicable and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED LASTLY THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person, to give effect to the aforesaid resolution.”

**By Order of the Board of Directors of
Blossom Industries Limited**

Amit A. Khemani
Managing Director
DIN: 00057283

Address: Devka, Plot No. 6,
Nani Daman, Daman - 396210

Date: 26th July 2021

Place: Daman

CIN: U31200DD1989PLC003122

Registered Office:

Village Jani Vankad, Nani Daman,
Daman - 396 210 (U.T.)

NOTES:

- A. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has, vide its circular dated January 13, 2021 read with circulars dated May 5, 2020, April 8, 2020 & April 13, 2020 (collectively referred to as “MCA Circulars”), permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue upto December 31, 2021. In accordance with, the said circulars of MCA and applicable provisions of the Act, the 32nd AGM of the Company shall be conducted through VC / OAVM. National Securities Depository Limited (NSDL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL. The venue of the meeting shall be deemed to be the Registered Office of the Company at Village Jani Vankad, Nani Daman, Daman - 396210 (U.T.).
- B. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

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- C. The Members can join the 32nd AGM in the VC/OAVM mode 20 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- D. The Register of Members and the Share Transfer Books of the Company will remain closed from Sunday, 5th September, 2021 to Saturday, 11th September, 2021, inclusive of both the days.
- E. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out above is annexed hereto.
- F. In accordance with the MCA circulars, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
- G. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Registrar and Transfer Agent at rnt.helpdesk@linkintime.co.in along with the copy of the signed request letter mentioning the name, folio no. and address of the Member, self-attested copy of the PAN card and self-attested copy of any address proof (eg.: Driving License, Election Identity Card, Passport). Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. Members whose email id are not registered and wish to receive the 32nd Annual Report of the Company are requested to refer point R.III.
- H. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- I. The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at http://khemanigroup.com/investor_corner.html. AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- J. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance alongwith their name, demat account number / folio number, email id, mobile number at blossom@bildaman.com to register themselves as speaker attendee. Questions / queries should be sent during Friday, 3rd September 2021 to Wednesday, 8th September 2021. Only those queries which are registered during the said period will be answered to during the AGM. The Company reserves the right to restrict the number of questions, depending upon availability of time as appropriate for smooth conduct of the AGM.
- K. The voting rights shall be as per the number of equity shares held by the Member(s) as on Saturday, 4th September 2021, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on the cut-off date.
- L. All the documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection through electronic mode, basis the request being sent on blossom@bildaman.com
- M. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act, Audit Reports and all other statutory documents shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.
- N. Members are requested to:
1. Intimate to the Company or its Registrar and Share Transfer Agent immediately, of any change in their address.
 2. Send all correspondence to the Registrar and Share Transfer Agent at the following address upto the date of book closure to:
M/s. Link Intime India Pvt. Ltd
C 101, 247 Park, L B S Marg,
Vikhroli - West, Mumbai – 400 083
Tel No: 022 - 4918 6270
Fax No: 022 - 4918 6060
Email: rnt.helpdesk@linkintime.co.in
 3. Quote Registered Folio Numbers/ DP ID/ Client ID in all the correspondence.
 4. Members holding shares in dematerialized form (electronic form) are requested to intimate any change in their address directly to their respective Depository Participants.
 5. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registered Office or from its R & TA at either of the aforesaid addresses.
 6. The Ministry of Corporate Affairs had vide it's Notification dated September 10, 2018 made it mandatory w.e.f. October 2, 2018 for the Unlisted Public Company to have connectivity with the depository i.e. NSDL or CDSL,

for dematerialization of securities to enable security holders to hold their securities in dematerialized mode. Further, transfer as well as issue of securities of Unlisted Public Company on or after October 2, 2018 can only be done in dematerialized form. Thus, shareholders can hold shares in demat or physical mode, however, in case of request for transfer, it can be proceeded only in demat mode. In view of the above and to avail benefits of dematerialization, members are advised to dematerialize shares held by them in physical mode.

Kindly note that now the Company has connectivity with CDSL as well as NSDL and its ISIN is **INE264D01026**.

- O. The details of Mr. Vincent Vaz, who retires by rotation and offers himself for reappointment at this Annual General Meeting and who is proposed to be reappointed as the Whole-time Director, as required under Secretarial Standards 2 are as under:

Name of Director	Mr. Vincent Vaz
Designation	Whole-time Director-cum-CFO
Age	54 years
Qualifications	Chartered Accountant
Experience	Over two decades in the field of finance, accounts and taxation. He has been associated with Blossom Industries Limited for around 25 years. Over the years, his expertise, knowledge and understanding of beer industry has immensely benefited in the Company's growth.
Terms and conditions of re-appointment	He is proposed to be re-appointed for a period of 3 years w.e.f. 28 th January, 2022, liable to retire by rotation. His remuneration shall continue to remain the same i.e. as under: a) Salary: 3,75,000/- per month b) Commission: 1% p.a. of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013 (detailed terms mentioned in the explanatory statement and draft agreement) and same shall be reviewed after 1 year.
Last drawn remuneration	Rs. 55,35,807 /- p.a.
Date of first appointment on the Board	28/01/2008
Shareholding in the Company	Nil
Relationship with other Director/ Manager/KMPs	He does not share any relationship with any other Director/Manager/KMPs of the Company

No. of meetings of the Board attended during the year 2020-21	5
Other Directorships	Cosminova Cosmetics Private Limited
Membership/ Chairmanships of the Committees of other Boards	Nil

- P. The Company is providing e-voting facility to transact all the resolutions mentioned in the Notice of this meeting pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under before the AGM as well as at the AGM for the members attending through Video Conferencing.

- Q. In case of any queries relating to evoting or attending AGM through VC/OAVM, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Mr. Abhijeet Gunjal at evoting@nsdl.co.in or Mr. Bharat Gopalani, Sr. Manager – Accounts & Finance, Blossom Industries Limited, Village Jani Vankad, Nani Daman, Daman – 396210 (U.T.) on 0260 – 6687800 or email on bharat@bildaman.com.

- R. Process for attending the AGM and voting through electronic means is as under:

- I. **The instructions for members for Remote E-Voting are as under:-**

The remote e-voting period begins on Wednesday, 8th September, 2021 at 9:00 A.M. and ends on Friday, 10th September, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is I2***** then your user ID is IN300***I2*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is I2***** then your user ID is I2*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is I01456 then user ID is I01456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a. Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

II. Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@hkacs.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Mr. Abhijeet Gunjal at evoting@nsdl.co.in

III. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to blossom@bildaman.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to blossom@bildaman.com.

IV. The instructions for members for e-voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

V. Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at blossom@bildaman.com during the stated period. The same will be replied by the company suitably.
- S. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) Saturday, 4th September, 2021.
- T. The Board of Directors of the Company at their meeting held on 18th June 2021 has appointed Mr. Hemanshu Kapadia, Practising Company Secretary as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- U. The Scrutinizer(s) shall immediately after the conclusion of the general meeting held through Video Conferencing, scrutinize the entire e-voting process and make, within a period not exceeding three (3) days from the conclusion of the meeting a Consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.
- V. The Chairman or the authorised person shall declare the results of the voting forthwith and the results declared alongwith the report of the scrutinizer shall be placed on the website of the Company i.e. <http://www.khemanigroup.com>.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 3:

Mr. Vincent Vaz (DIN: 02067875), Whole-time Director-cum-CFO of the Company, is a qualified Chartered Accountant having experience of over two decades in the field of finance, accounts and taxation. He has been associated with Blossom Industries Limited for around 25 years. Over the years, his knowledge, expertise and understanding of beer industry has immensely benefited in the Company's progress. His tenure as the Whole-time Director-cum-CFO of the Company expires on the 27th January, 2022. Taking into account his vast experience in the Brewery industry, the Board in its Meeting held on the 18th June 2021, based on the recommendation of Nomination and Remuneration Committee proposed his re-appointment as the Whole-time Director-cum-CFO w.e.f. 28th January, 2022 for a period of 3 years and liable to retire by rotation, subject to approval of the members of the Company.

The remuneration shall continue to be same which is as under:

- a) Salary: Rs. 3,75,000 per month
- b) Commission: 1% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013.
- c) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as the Whole-time Director of the Company.

The aforesaid remuneration shall be reviewed by the Board of Directors after expiry of 1 year of his re-appointment and in case of any revision, the Board shall obtain approval of the members, if required.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, he shall be paid remuneration as per provision of Section II of Part II of Schedule V of the Companies Act, 2013 as the Minimum Remuneration. The additional information as required under Part II of Schedule V to the Companies Act, 2013 is given below:

I. GENERAL INFORMATION:

- (1) Nature of Industry: Manufacture of Beer
- (2) Date of Commencement of commercial production: November 17, 1994
- (3) In case of new Companies, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus: Not Applicable

(4) Financial Performance based on given indicators:

(in Rs.)

Particulars	Year ended 31st March		
	2020	2019	2018
Financial Parameters			
Turnover	3,398,471,730	3,645,782,192	3,250,788,503
Other Income	92,254,486	44,727,614	4,57,52,001
Profit before tax	282,549,199	381,674,075	25,83,54,677
Profit after tax (as per Profit & Loss Account)	207,840,468	246,781,193	15,85,93,784
Net Worth	1,427,134,618	1,219,294,150	97,25,12,957

(5) Foreign Investments or Collaborations, if any: There is no foreign investment or collaboration.

II. INFORMATION ABOUT THE APPOINTEE:

Mr. Vincent Vaz (DIN: 02067875):

- (1) Background details: Mr. Vincent Vaz, Whole-time Director-cum-CFO of the Company is a qualified Chartered Accountant with over two decades of experience in the field on finance, accounts and taxation.
- (2) Past Remuneration:
 - a) Salary: Rs. 3,75,000 per month
 - b) Commission: 1% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013.
 - c) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as the Whole-time Director of the Company.
- (3) Recognition/Awards: With his continued support and expertise during his association with Blossom, the Company has been presented with various awards.
- (4) Job Profile and Suitability: He has been associated with Blossom Industries Limited for around 25 years including 10 years of association as the Whole-time Director. Over the years, his expertise, knowledge and understanding of liquor and beer industry has immensely benefited in the Company's progress.
- (5) Remuneration proposed w.e.f. 28th January, 2022:
 - a) Salary: Rs. 3,75,000 per month
 - b) Commission: 1% p.a. of the Net Profit calculated u/s 198 of the Companies Act, 2013.
 - c) The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of duties as the Whole-time Director of the Company.

Subject to review by Board of Directors after 1 year of this re-appointment.

- (6) Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person: The remuneration payable to Mr. Vincent Vaz commensurate with his qualification, experience, the duties and responsibilities entrusted to him.
- (7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any: Mr. Vincent Vaz has no pecuniary relationship, directly or indirectly with the Company or with any managerial personnel, other than his present office as the Whole-time Director-cum-CFO and he does not hold any shares.

III OTHER INFORMATION:

1. Reason for loss or inadequate profits: Currently, the Company does not have inadequate profit; this disclosure is for abundant precaution.
2. Steps taken or proposed to be taken for improvement: The Management always strives for improvement and increased return.
3. Expected increase in productivity and profits in measurable terms: The Company is currently utilising its optimum production capacity and sustaining its margin on sale of beer.

The Board of Directors recommends this resolution to the members for their approval by way of a special resolution. The details of the Director as per Secretarial Standards – 2 forms part of the notes to the Notice of this Meeting. The relevant resolution/documents and draft agreement for his re-appointment are available for e-inspection by the Members of the Company by sending an email to the Company on blossom@bildaman.com upto the date of 32nd AGM.

None of the Directors or Key Managerial Personnel of the Company are interested financially or otherwise, in the proposed resolution except Mr. Vincent Vaz, Whole-time Director-cum-CFO.

**By Order of the Board of Directors of
Blossom Industries Limited**

Amit A. Khemani
Managing Director
DIN: 00057283
Address: Devka, Plot No. 6,
Nani Daman, Daman - 396210

Date: 26th July 2021

Place: Daman

BOARD'S REPORT

To,
The Members,

BLOSSOM INDUSTRIES LIMITED

The Directors have pleasure in presenting the **Thirty-Second Annual Report** of the Company and the Audited Financial Statement for the year ended **March 31, 2021**.

1.0 Financial summary or highlights/performance of the Company

The financial highlights of the Company are given below:

(In Rs.)

Particulars	2020-21	2019-20
Sales (Net of excise)	1,98,63,28,916	3,39,84,71,730
Other Income	19,53,17,277	9,22,54,486
Total Revenue	2,18,16,46,193	3,49,07,26,216
Less:		
(1) Depreciation	2,29,46,212	2,50,86,599
(2) Finance Costs	15,41,86,875	1,76,59,311
(3) Expenditure other than Depreciation and Finance	1,84,68,83,371	3,16,54,31,107
Profit before tax	15,76,29,735	28,25,49,199
Less:		
Provisions for tax	4,22,93,032	7,47,08,731
Profit for the Year	11,53,36,703	20,78,40,468

During the year under review, the sales of Company reduced to Rs.1,98,63,28,916/- from Rs.3,39,84,71,730/- in the previous year. The lockdown restrictions under the COVID-19 situation resulted in lower sales. Consequently, with the reduction in sales and increase in the finance cost, the profit for the year is lower as compared to the previous year.

2.0 Dividend

With a view to conserve the resources and maintain liquidity, your Board has decided not to recommend any dividend for the financial year 2020-21.

3.0 Reserves

The Board does not propose to carry any amount to General Reserves.

4.0 Brief description of the Company's working during the year/State of Company's affairs

The Company is manufacturing beer of various brands under the license agreement with United Breweries Limited & Anheuser-Busch InBev India Ltd. (formerly known as SAB Miller), who are the top most market players. The Company has also introduced its own brand named "Tag". Your Company is operating under single segment namely beer.

During the year, the operations were impacted adversely on account of lockdown imposed by the government due to COVID-19. The Company's plant was totally shut down for about two months and subsequently, the operations resumed on a limited scale during middle of May 2020. The total production in 2020-21 reduced by 48.51% as compared to previous financial year 2019-20 and the capacity utilization of the factory reduced to 38.74% in 2020-21, as against 73.48% in 2019-20. The volume of sales also reduced by 47.02% in 2020-21 compared to 2019-20. However, the Company is hopeful that with the opening up of lockdown restrictions, the Company shall have a better performance in the current year.

5.0 Change in the nature of business, if any

There was no change in the nature of business.

6.0 Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report

No material changes have occurred subsequent to the close of the financial year of the Company to which the financial statement relates and till the date of the Report.

7.0 Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

8.0 Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary/Joint Venture/Associate Companies.

9.0 Auditors

At the 28th Annual General Meeting (AGM) held on 5th August, 2017, M/s. CNK & Associates LLP (Firm's Registration No. 101961W/W-100036), Chartered Accountants, were appointed as the Statutory Auditors of the Company for five (5) consecutive financial years i.e. upto the financial year 2022-2023.

10.0 Auditor's Report

There are no qualifications, reservation or adverse remark or disclaimer made by the Auditors in their report and therefore, there are no further explanations to be provided for in this Report.

11.0 Secretarial Audit Report

The Board of Directors had appointed M/s. VPP & Associates, Practising Company Secretaries to conduct Secretarial Audit for the financial year 2020-21, as required under Section 204 of the Companies Act, 2013 and the Rules framed there under. The Secretarial Audit Report for the financial year 2020-21 forms part of the Board's Report as **Annexure I**.

The Secretarial Audit Report submitted by M/s. VPP & Associates, Practising Company Secretaries is self-explanatory and no further explanations are required.

12.0 Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in e-Form MGT-7 is uploaded on the Company's website and available on https://www.khemanigroup.com/investor_corner.html.

13.0 Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are as follows:

13.1 Conservation of energy:

13.1.1 the steps taken or impact on conservation of energy:

a) Electrical Energy

- Steps are taken to improve power factor by installing capacitors and AC drives.
- Highly efficient refrigeration system installed that will ensure substantial saving in power.
- Brewing and bottling operations synchronized during lean season to achieve optimal energy consumption.

b) Fuel Oil Consumption

- Heat recovery system installed in the brew house to recover waste heat.
- Low-pressure burners in the boiler replaced with energy efficient burners.
- Steam condensate recovery pumps installed to recover steam condensate from the brew house and washing machine.
- Bio-gas produced at the effluent treatment plant is used in the boiler.

13.1.2 The steps taken by the Company for utilising alternate sources of energy:

The Company has installed 100 KW Solar Power System as an alternate source of energy.

13.1.3 The capital investment on energy conservation equipments:

Not Applicable

13.2 Technology absorption:

13.2.1 The efforts made towards technology absorption:

The Company is seeking to imbibe newer technologies being developed in the area of upgrading the manufacturing facilities/process.

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

The indigenous product development used has resulted into improved process utilisation and cost reductions.

13.2.3 In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

No technology has been imported by the Company.

13.2.4 The expenditure incurred on Research and Development:

Though presently no expenses are being incurred on Research and Development activity, at the same time, the Company is willing to spend on R&D as and when the opportunities arise.

13.3 Foreign exchange earnings and outgo:

The Company concentrates in the domestic market for its products. The efforts are being made to increase exports of our own brand of beer.

Foreign Exchange Earnings Rs. 6,87,27,101/-

Foreign Exchange Outgo Rs. 7,85,980/-

Value of Import on CIF basis Rs. 11,35,31,864/-

14.0 Directors and Key Managerial Personnel

14.1 Changes in Directors and Key Managerial Personnel:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vincent Vaz, the Whole-time Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors also proposes to re-appoint Mr. Vincent Vaz as the Whole-time Director-cum-CFO of the Company w.e.f. 28th January 2022 with the approval of the members.

Apart from the above, there were no changes in the composition of the Board during the year under review.

14.2 Declaration by Independent Directors, if any:

The Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and in the opinion of the Board of Directors, all the Independent Directors fulfill the criteria of independence as provided under the Act and Rules made thereunder.

14.3 Performance evaluation of Board, Committees & Directors:

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors adopted a formal mechanism for evaluating its performance, as also that of its committees and individual Directors.

The results of the reviews were discussed in the Nomination and Remuneration Committee Meeting as well as by the Board. Further, the Independent Directors, at their Meeting, reviewed the performance of the Chairman, Non-Independent Directors and the Board as a whole in respect of the financial year under review.

15.0 Risk Management Policy and Risk Mitigation

The Company does not have formal Risk Management Policy. However, the Company’s system of financial and compliance controls with reference to the financial statements and risk management is embedded in the business process by which the Company pursues its objectives.

Risk Management forms an integral part of the Company’s planning process which is handled on day to day basis by the Management of the Company. The Audit Committee reviews the process of risk management, based on various reports of the management, presentations of the Internal Auditors, etc.

16.0 Corporate Governance

The Company being an Unlisted Public Company, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, the Company follows the core principles of Corporate Governance practices i.e. fairness, transparency, accountability and responsibility.

The primary role of the Board is that of trusteeship to protect and enhance stakeholders’ value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to stakeholders’ value and its growth. The Board exercises its duties with care, skill and diligence and exercises independent judgment. It sets strategic goals and seeks accountability for their fulfillment. It also directs and exercises appropriate control to ensure that the Company is managing in a manner that fulfills stakeholders’ aspiration and social expectations.

The Independent Directors abide by the definition of Independent Director as provided under Section 149 of the Companies Act, 2013. The Company inducts eminent individuals from diverse fields as the Directors on its Board.

17.0 Details of establishment of vigil mechanism for Directors and Employees

The Company has, on voluntary basis, established vigil mechanism which provides mechanism to its directors, employees and other stakeholders to raise concerns about any violation of legal or regulatory requirements, misrepresentation of any financial statement and to report actual or suspected fraud or violation of the Code of Conduct of the Company.

The Policy allows the whistleblowers to have direct access to the Chairman of the Audit Committee in exceptional circumstances and also protects them from any kind of discrimination or harassment. The Whistle Blower Policy of the Company can be accessed at the Web link: http://www.khemanigroup.com/pdf/others/Blossom-Industries_vigil-mechanism.pdf.

18.0 Details of Committees of the Board

Currently, as per the requirement of the Companies Act, 2013 the Board has 4 (four) Committees: the Audit Committee, Nomination and Remuneration Committee, Stakeholders’ Relationship Committee and Corporate Social Responsibility Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules thereunder, are as follows:

18.1 Audit Committee:

The Board has constituted an Audit Committee comprising of Mr. P. R. Barpande, Independent Director as the Chairman of the Committee and Dr. P. Kotaiah, Mr. D. T. Khilnani, Mr. Harsh Vardhan Jajoo and Ms. Lila Poonawalla, Independent Directors as the Members. The recommendations of the Audit Committee are always welcomed and accepted by the Board and all the major steps impacting the financials of the Company are undertaken only after consultation with the Audit Committee.

Three (3) meetings of the Audit Committee were held during the year 2020-21. The dates of Meetings of the Audit Committees held during the financial year and attendance at the meeting by the Committee Members are given in the table below:

Name of Directors	Date of Meetings and Presence		
	25.07.2020	18.12.2020	27.02.2021
Mr. P. R. Barpande	Yes	Yes	Yes
Dr. P. Kotaiah	Yes	Yes	Yes
Mr. D. T. Khilnani	Yes	Yes	Yes
Mr. Harsh Vardhan Jajoo	Yes	Yes	Yes
Ms. Lila Poonawalla	Yes	Yes	Yes

18.2 Nomination and Remuneration Committee:

The Board has constituted Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013. Dr. P. Kotaiah, Independent Director is the Chairman of the said Committee and Dr. S. D. Israni, Ms. Lila Poonawalla, Mr. D. T. Khilnani, Mr. P. R. Barpande and Mr. Harsh Vardhan Jajoo, Independent Directors are the Members of the Committee. The Committee has framed a policy to determine the qualifications and attributes for appointment and basis of determination of remuneration of all the Directors, Key Managerial Personnel and other employees. The Nomination & Remuneration Policy of the Company can be accessed at the Web link: <http://www.khemanigroup.com/pdf/policy/Nomination-Remuneration-Policy.pdf>. During the financial year 2020-21, the Company did not convene any Nomination & Remuneration Committee meeting.

18.3 Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of Mr. D. T. Khilnani, Independent Director as the Chairman of the Committee and Mr. Amit Khemani, Managing Director and Mr. Vincent Vaz, Whole-time Director-cum-CFO as the Members of the Committee. The role of the Committee is to consider and resolve stakeholders' complaints and to approve/ratify/ note transfer of securities. The meetings of the Committee are usually held once in a quarter and the complaints received, if any, are responded and transfers are executed within the time frame provided under the Companies Act, 2013. During the year under review, all the requests received from the Members were processed in time and the Company had not received any complaints during the year and there were no pending complaints as on 31st March 2021.

Three (3) meetings of the Stakeholders' Relationship Committee were held during the year 2020-21. The dates of Meetings of the Stakeholders' Relationship Committees held during the financial year and attendance at the meeting by the Committee Members are given in table below:

Name of Directors	Date of Meetings and Presence		
	25.07.2020	18.12.2020	27.02.2021
Mr. D. T. Khilnani	Yes	Yes	Yes
Mr. Amit Khemani	Yes	Yes	Yes
Mr. Vincent Vaz	Yes	Yes	Yes

18.4 Corporate Social Responsibility Committee:

Pursuant to Section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted the Corporate Social Responsibility (CSR) Committee comprising of Dr. S. D. Israni as the Chairman and Mr. P. R. Barpande, Dr. P. Kotaiah and Mr. D. T. Khilnani as the Members of the Committee. The details of Meetings of CSR Committee and attendance of the members is as under:

Name of Directors	Date of Meetings and Presence		
	25.07.2020	18.12.2020	27.02.2021
Dr. S. D. Israni	Yes	Yes	Yes
Mr. P. R. Barpande	Yes	Yes	Yes
Dr. P. Kotaiah	Yes	Yes	Yes
Mr. D. T. Khilnani	Yes	Yes	Yes

18.4.1 Corporate Social Responsibility:

The role of the Corporate Social Responsibility Committee of the Board (referred to as the 'CSR Committee'), is to inter alia consider, review, monitor and provide strategic direction to the Company's CSR and sustainability activities towards fulfilling its societal objectives. The Company has a long history of supporting social and community activities viz. welfare centres, associations of blind and cancer patients, education trusts, by associating with Institutions like Lila Poonawalla Foundation, Bulsar District Cricket Association, Blind Organization of India, Mahavir Seva Sadan and Maharashtra Dayanand Society.

With respect to the financial year 2020-21, the Company was required to spend an amount of Rs. 58,09,426/-. The Company had spent Rs.58,37,334/- during the year 2020-21 and the detailed information to be provided under Section 134(3)(o) and Section 135(2) of the Act read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed as **Annexure 2**.

19.0 Number of meetings of the Board of Directors

The Board of Directors met five (5) times during the financial year. The intervening gap between any two meetings was not more than stipulated days as prescribed by the Companies Act, 2013. Details of dates of Board meetings and attendance of Directors are as under:

Name of Directors	Date of Meetings and Presence				
	25.07.2020	19.09.2020	24.11.2020	18.12.2020	27.02.2021
Mr. Amit Khemani	Yes	Yes	Yes	Yes	Yes
Mr. D. T. Khilnani	Yes	Yes	Yes	Yes	Yes
Mr. Harsh Vardhan Jajoo	Yes	Yes	Yes	Yes	Yes
Ms. Lila Poonawalla	Yes	No	Yes	Yes	Yes
Dr. P. Kotaiah	Yes	Yes	Yes	Yes	Yes
Mr. P. R. Barpande	Yes	Yes	Yes	Yes	Yes
Dr. S. D. Israni	Yes	Yes	Yes	Yes	Yes
Mr. Vincent Vaz	Yes	Yes	Yes	Yes	Yes

20.0 Particulars of loans, guarantees or investments under Section 186

During the year under review, details of inter-corporate loans, investments and guarantees provided by the Company under Section 186 of the Companies Act, 2013 is provided in Note no. 11 of the Audited Financial Statement. The details of Investment made in mutual funds during the financial year, which does not fall under the limits prescribed under Section 186 of the Companies Act, 2013, is provided in Note no.12 of the Audited Financial Statement.

21.0 Particulars of contracts or arrangements with related parties

The particulars of contract or arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including material transactions entered at arms' length under third proviso, in prescribed Form No. AOC - 2 are appended as **Annexure 3** to the Board's Report.

22.0 Directors' Responsibility Statement

As stipulated under clause (c) of sub-section (3) of Section 134 read with sub-section (5) of Section 134 of the Companies Act, 2013, your Directors subscribe to the Directors' Responsibility Statement and state that:

- a) in preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from them;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23.0 Managerial Remuneration

- A) Disclosures pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as it's an Unlisted Public Limited Company.
- B) Remuneration paid to Executive Directors and Non-Executive Independent Directors during the period 2020-21: Refer Form MGT 7, web-link provided in the Board's Report.

24.0 Market Drivers and Challenges

India is one of the largest beer markets, consuming about 340 million cases per year (at 7.8 litres per case). The growth in consumption of beer is driven by youth population and the consumers who consider beer a trendy drink, as compared to other traditional spirits. There is also a significant demand for premium-imported beer in the urban markets. Companies in this industry compete on the basis of product taste, product availability and their quality. Growth in the sector has also

been fuelled by the increasing social acceptability of mild alcohol consumption among youth in the country. The market was expected to register positive CAGR of 5.7% in terms of revenue during the forecasted period FY 2018 – FY 2023.

However, the biggest challenge in 2020-21 has been the economic impact of coronavirus pandemic. The liquor industry, like most other businesses, suffered severely due to the nationwide lockdown last year. Liquor sales fell by nearly 42 per cent in the first quarter of 2020-21 and another nine per cent in the second. Therefore, liquor sales declined by an average of at least 29 per cent in the first six months of the previous year. However, the domestic liquor industry managed to see a strong sales revival in the second half of FY21, helping limit the overall sales decline during the last financial year to just 12 per cent, according to the data compiled by industry body Confederation of Indian Alcoholic Beverage Companies (CIABC).

25.0 Cost Auditors

In pursuance of provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder, the Company was not required to appoint Cost Auditor for the financial year 2021-22. However, as a good corporate governance practice, the Board of Directors in their meeting held on 18th June, 2021 appointed Mr. Girikrishna S. Maniar as the Cost Auditor of the Company for the financial year 2021-22 to audit the cost records of the Company. The Board has delegated the power to approve the remuneration of Cost Auditor to the Managing Director in consultation with the Audit Committee.

As the provisions of Section 148 of the Companies Act, 2013 were not applicable to the Company and thus, the Cost Audit Report for the F.Y. 2020-21 was not required to be filed with the Registrar of Companies.

26.0 Internal Financial Control Systems and their Adequacy

The management is responsible for establishing and maintaining adequate disclosure controls and procedures and adequate internal controls over financial reporting with respect to financial statements besides its effectiveness in the context of applicable regulations.

The Statutory Auditors in their reports on internal financial control have observed that your Company has, in all material respect, all adequate internal financial control system over the financial reporting and such internal financial control over financial reporting were operating effectively as at 31st March, 2021. The Internal Auditor also reviewed the internal control system during the year and have opined about their adequacy and effectiveness of the same.

27.0 Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line

with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. For the financial year 2020-21, no case of sexual harassment was pending at the beginning, no case was received during the year, so there was no case remaining pending at the close of the year.

28.0 General

Your Directors state that disclosure or reporting is not required in respect of the following items as there were no transactions relating to these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Details relating to Deposits covered under Chapter V of the Act.
- d) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Companies Act, 2013).
- e) The Company does not have any Holding Company or Fellow Subsidiary Company thus provision w.r.t. receipt of commission from them is not applicable.
- f) Details of payment of remuneration or commission to Managing Director or Joint Managing Director of the Company from any of its subsidiaries as the Company does not have any Subsidiaries/Joint Venture/Associate Company.
- g) Details in respect of frauds reported by Statutory Auditors under Section 143(12) other than those which are reportable to the Central Government.

- h) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- i) The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

29.0 Disclosure under the Secretarial Standards

The Company complies with all the provisions of Secretarial Standards I & 2.

30.0 Acknowledgements

The Directors wish to acknowledge and place on record their sincere appreciation for the assistance and co-operation received from all the members, regulatory authorities, customers, financial institutions, bankers, lenders, vendors and other business associates.

The Directors also recognize and appreciate all the employees for their commitment, commendable efforts, teamwork, professionalism and continued contribution to the growth of the Company.

For and on behalf of the Board of Directors

S. D. Israni
Chairman

DIN: 00125532

Address: 24, Sukhmani - A, 4th Floor,
Bomanji Petit Road, Warden Road,
Mumbai 400036

Date: 26th July 2021

Place: Mumbai

ANNEXURE TO THE BOARD'S REPORT**GENERAL SHAREHOLDERS INFORMATION****A) Annual General Meeting:**

Day, Date, Time & Venue	Saturday, the 11 th September, 2021 at 11.00 a.m. through Video Conferencing/Other Audio Visual Means. Registered office shall be deemed to be venue of the meeting.
Financial Year	April 1, 2020 – March 31, 2021
Book Closure Date	Sunday, the 5 th September, 2021 to Saturday, the 11 th September, 2021 (both days inclusive)

B) Registrar & Share Transfer Agent:

M/s. Link Intime India Pvt. Ltd of Mumbai is the Registrar & Share Transfer Agent of the Company. For any assistance regarding share transfers, transmissions, change of address, dematerialization, duplicate/missing share certificates and other relevant matters, please write to the Registrar & Share Transfer Agent of the Company, at the address given below:

M/s. Link Intime India Pvt. Ltd
 C 101, 247 Park, L B S Marg,
 Vikhroli - West, Mumbai – 400 083
 Tel No: 022 - 4918 6270
 Fax No: 022 - 4918 6060
 Email: rnt.helpdesk@linkintime.co.in

C) Share Transfer System:

With effect from 2nd October 2018, the Ministry of Corporate Affairs has discontinued physical transfer of shares for all Unlisted Public Companies. Thus, transfer request are only processed in demat mode. The average time taken for processing requests like transmission, name deletion, split, issue of duplicate share certificates, etc is less than 30 days, while it takes a minimum of 15 days for processing dematerialization requests. The Company's representatives visit the office of the Registrar & Share Transfer Agents to monitor, supervise and ensure that there are no delays or lapses in the system.

D) Dematerialization of Shares and Liquidity:

The Company has connectivity with Central Depository Services (India) Limited and National Securities Depository Limited

Plant Locations:

The Company has manufacturing plant situated at
 Village Jani Vankad, Nani Daman, Daman - 396 210. (U.T.)
 Tel: (0260) 6687800
 E-mail: blossom@bildaman.com

Address for correspondence**Registered Office**

Village Jani Vankad, Nani Daman, Daman – 396210 (U.T.)
 Tel: (0260) 6687800
 E-mail: blossom@bildaman.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March 2021

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

To,

The Members,

Blossom Industries Limited

CIN: U31200DD1989PLC003122

Village Jani Vankad,

Nani Daman- 396 210 (U.T.)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Blossom Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on the 31st March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
(Not Applicable to the Company as it is an Unlisted Public Limited Company)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(Not Applicable to the Company as it is an Unlisted Public Limited Company)
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not Applicable to the Company during the Audit period as there were no Foreign Direct Investments, Overseas Direct Investments in the Company and no External Commercial Borrowings were made by the Company)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):- **(Not Applicable to the Company as it is an Unlisted Public Limited Company)**
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) And the following industry specific laws and regulations for breweries industry, as informed and confirmed by the Audit Committee of the Company:

- (a) Food Safety and Standards Act, 2006
- (b) Food Safety and Standards (Laboratory and Sampling Analysis) Regulation, 2011
- (c) Food Safety and Standards (Packaging and Labelling) Regulation, 2011
- (d) Food Safety And Standards (Licensing and Registration of Food Businesses), Regulations 2011

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and as notified by the Central Government, and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company as it is an Unlisted Public Limited Company)**

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There were no changes in the composition of the Board of Directors of the Company during the period under review.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except board meeting dated 19th September, 2020 and 24th November, 2020 held for urgent business for which a shorter notice was provided however, as per proviso to Section 173(3), the requisite independent directors were present in both the meetings. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were carried out unanimously during the year under review, however, as confirmed by the management, mechanism to capture and record the dissenting members' views as a part of the minutes, exist.

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

We further report that during the Audit Period, there were no instances of:

- (i) Public/Rights/Preferential issue of shares/ debentures/sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger /amalgamation /reconstruction, etc.
- (iv) Foreign technical collaborations.

**For VPP & Associates
Practicing Company Secretaries**

Pooja Jain
Partner

C.P. No.: **9136**

Membership No.: **F8160**

UDIN: **F008160C000485406**

Date: 18th June, 2021

Place: Mumbai

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



Annexure A

To,

The Members,

Blossom Industries Limited

CIN: U31200DD1989PLC003122

Village Jani Vankad,

Nani Daman- 396 210 (U.T.)

Our report of even date is to be read along with the letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on the scanned copies and management representation provided by the management due to inability to verify physical documents owing to COVID-19 lockdown restrictions.

**For VPP & Associates
Practicing Company Secretaries**

Pooja Jain

Partner

C.P. No.: **9136**

Membership No.: **F8160**

UDIN: **F008160C000485406**

Date: 18th June, 2021

Place: Mumbai

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

- A brief outline of the Company's CSR policy:** The Company's CSR Policy is framed for the benefit of different segments of the society, specifically the deprived, under privileged and differently-abled persons.
- Composition of the CSR Committee:** The Committee comprises of the following Independent Directors:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. S. D. Israni	Chairman	3	3
2.	Mr. P. R. Barpande	Member	3	3
3.	Dr. P. Kotaiah	Member	3	3
4.	Mr. D. T. Khilnani	Member	3	3

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** The Policy is available on the Company's website i.e. http://www.khemanigroup.com/about_khemani.html
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:** Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	2020-21	--	--
	Total		--

- Average net profit of the company as per Section 135(5):** Rs. 29,04,71,320 /-
- (a) **Two percent of average net profit of the company as per section 135(5):** Rs.58,09,426/-
 (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil
 (c) **Amount required to be set off for the financial year, if any:** Nil
 (d) **Total CSR obligation for the financial year (7a+7b-7c):** Rs.58,09,426/-
- (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs.58,37,334	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration no.
Not Applicable as the Company does not have any ongoing projects												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration No.
1.	Distribution of Generic Medicine		No	Gujarat	Valsad	1,00,000	No	Jan Mangal Pharmacy Foundatio	NA
2.	Free medical care		No	Punjab	Punjab	32,00,000	No	Maharaj Jagat Singh Medical Relief Society	N.A.
3.	Free distribution of hand sanitizer Spray		Yes	Dadra & Nagar Haveli & Daman & Dui UT	Daman	46,728	Yes	-	-
4.	Free Distribution of Plastic Face Shield, PPE and Hand sanitizer gel		No	Gujarat	Valsad	81,635	No	RNC Eye Hospital	N.A.
5.	Distribution of groceries to COVID-19 affected families		Yes	Dadra & Nagar Haveli & Daman & Dui UT	Daman	4,00,760	Yes	-	-
6.	Distribution of books to Government Schools		Yes	Dadra & Nagar Haveli & Daman & Dui UT	Daman	9,975	Yes	-	-
7.	Distribution of Generic Medicine		No	Talasari	Maharashtra	5,96,178	No	Dayanand Hospital	N.A.
8.	Distribution of Plastic Face Shield - PPE		No	Talasari	Maharashtra	2,950	No	Dayanand Hospital	N.A.
9.	Distribution of Health Nutrition Kit		No	Dholar	Gujarat	99,108	Yes	-	-
10.	Contribution towards digitalisation of Blind School		No	Saputara	Gujarat	13,00,000	No	Manav Kalyan Trust - Navsari	N.A.
	Total					58,37,334			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs.58,37,334/-

(g) Excess amount for set off, if any: N.A.

Sl. No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the company as per section 135(5)	-
2.	Total amount spent for the Financial Year	-
3.	Excess amount spent for the financial year [(ii)-(i)]	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
NOT APPLICABLE							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
NOT APPLICABLE AS THE COMPANY DOES NOT HAVE ANY ONGOING PROJECT								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not applicable as the Company has not created/acquired any capital asset.

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

Not applicable

 Amit Khemani
Managing Director
DIN: 00057283
Address: Devka, Plot no.6,
 Nani Daman – 396210

Date: 26th July 2021
Place: Daman

 S. D. Israni
Chairman of CSR Committee
DIN: 00125532
Address: 24, Sukhmani – A, 4th Floor,
 Bomanji Petit Road, Warden Road, Mumbai - 400036

Date: 26th July 2021
Place: Mumbai

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. no.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any
1	K. H. Khemani & Sons, Amit Khemani, Managing Director's relative is a partner in the said firm	Sale of Beer	1.4.2020 to 31.3.2021	Sale of Beer on 60 days credit Rs.1,67,60,80,515/-	As it is on arm's length basis approval of Board is not required. The Company has obtained approval of Audit Committee and the members in the 31 st AGM (2019-20) for a period of 5 years

For and on behalf of the Board of Directors

S. D. Israni
Chairman
DIN: 00125532

Address: 24, Sukhmani - A, 4th Floor,
Bomanji Petit Road, Warden Road,
Mumbai 400036

Date: 26th July 2021

Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

BLOSSOM INDUSTRIES LIMITED

Report on the audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Blossom Industries Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2021, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

4. Emphasis of Matter

- a) On account of inability to conduct physical verification of inventory as on 31st March, 2021 owing to the lockdown restrictions imposed by the Government, we have relied on details as compiled by the management based on the physical verification conducted by them on 1st April, 2021 and related adjustments, to confirm the existence and condition of inventory at the year-end;
- b) We are informed that the balances with the two licensors of the Company are being reconciled and are subject to their confirmation. The management does not expect any material adjustments arising from the same.
- c) We draw attention to Note 25 (i) relating to contingent liability with reference to statutory liabilities. The Company is hopeful of favourable outcome. In case of adverse outcome in respect of transactions carried out on behalf of its principals, the Company claims, the same would be reimbursed by its principals.

Our opinion is not modified in respect of these matters.

Other information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

8. The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.
9. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibility for the Audit of the Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and to the best of the information and explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
18. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act;
- e) On the basis of the written representation received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in Note 25 (i) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.

For C N K & Associates LLP

Chartered Accountants

(Firm Registration Number: 101961W / W-100036)

H. V. Kishnadwala

Partner

Membership No.: 037391

UDIN: 21037391AAAAEK9151

Date: 26th July, 2021

Place: Mumbai

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Blossom Industries Limited ("the Company") on the financial statements as of and for the year ended March 31, 2021]

On the basis of such checks as considered appropriate and in terms of the information and explanation furnished to us, we state as under:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) During the year the property, plant and equipment have been physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) In our opinion, the title deeds of immovable properties, other than self-constructed buildings, included in fixed assets are held in the name of the Company.
- (ii) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancy was noticed on such verification by the management as compared to book records.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable;
- (iv) According to the information and explanation given to us, with respect to loan granted and guarantee given, the provisions of section 185 and section 186 have been complied with. The Company has not made investments in respect of which the provisions of section 185 or section 186 of the Act are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits to which the provisions of Sections 73 to 76 of the Act would apply.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as specified by the Central Government under section 148(1) of the Act in respect of the Company's product and are of the opinion that *prima-facie*, the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the same with a view to determining whether they are accurate or complete.
- (vii) (a) The Company has been regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. Also refer Note 25(i) to the Financial Statements.
- (b) According to the information and explanation given to us, there are no dues which have not been deposited by the Company on account of disputes except followings:

Name of the Statute	Nature of dues	Forum where dispute is pending	Year to which the amount relates	Amount (Rs.)
Bihar Value Added Tax Act, 2005	Value Added Tax	Commissioner of Commercial Taxes, Bihar	2011-12	24,17,099
Income Tax Act, 1961	Income Tax	Dy Commissioner of Income Tax – (TDS) Circle	2010-11 to 2016-17	11,13,569
Central Goods and Services Tax Act, 2017	Goods and Service Tax	High Court, Bombay	2017-18 to 2019-20	19,37,95,646
Central Goods and Services Tax Act, 2017	Service Tax	Commissioner of Central GST, Daman	2015-16 to 2017-18	4,53,36,500

- (viii) The Company has not defaulted in repayment of loan to a financial institution. It has not borrowed any amount from bank or government and there are no dues to debenture holders.
- (ix) As represented to us, the term loan raised by the Company has been applied for the purpose for which the same is raised. The Company has not raised moneys by way of initial public offer or further public offer.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

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- (xi) The managerial remuneration paid by the Company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion the Company is not a nidhi company. Therefore, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements, as required by the applicable Accounting Standard;
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures hence, the reporting requirements under paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For C N K & Associates LLP

Chartered Accountants

(Firm Registration Number: 101961W / W-100036)

H. V. Kishnadwala

Partner

Membership No.: 037391

UDIN: 21037391AAAAEK9151

Date: 26th July, 2021

Place: Mumbai

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of Blossom Industries Limited on the financial statements as of and for the year ended March 31, 2021]

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

We have audited the internal financial controls with reference to financial statements of Blossom Industries Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For C N K & Associates LLP

Chartered Accountants

(Firm Registration Number: 101961W / W-100036)

H. V. Kishnadwala

Partner

Membership No.: 037391

UDIN: 21037391AAAAEK9151

Date: 26th July, 2021

Place: Mumbai

Balance sheet as at 31st March, 2021

		Note No.	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
A EQUITY AND LIABILITIES				
I Shareholders' funds				
(a) Share capital		3	110,675,100	110,675,100
(b) Reserves and surplus		4	1,431,796,221	1,316,459,518
			1,542,471,321	1,427,134,618
2 Non-current liabilities				
(a) Long-term borrowing		5	902,775,371	1,150,000,000
(b) Other long-term liabilities		6	17,169,600	17,272,611
(c) Long-term provisions		7	2,963,585	2,687,864
			922,908,556	1,169,960,475
3 Current liabilities				
(a) Trade payables				
i) Dues to micro and small enterprises			6,881,025	6,726,847
ii) Others			48,179,504	325,911,288
(b) Other current liabilities		8	451,328,734	635,228,152
(c) Short-term provisions		9	4,521,086	4,963,871
			510,910,349	972,830,158
TOTAL			2,976,290,226	3,569,925,251
B ASSETS				
I Non-current assets				
(a) Property, Plant and Equipment				
(i) Tangible assets		10	281,630,313	243,783,556
(ii) Intangible assets		10	3,783,308	525,208
(iii) Capital Work-in-Progress			-	9,175,068
(iv) Intangible assets under development			-	3,171,442
			285,413,621	256,655,274
(b) Deferred tax assets			4,290,893	8,500,018
(c) Long-term loans and advances		11	1,393,113,989	1,366,507,353
			1,682,818,503	1,631,662,645
2 Current assets				
(a) Current Investments		12	816,850,689	1,249,274,201
(b) Inventories		13	223,126,050	347,372,692
(c) Trade receivables		14	179,126,049	178,949,308
(d) Cash and bank balances		15	47,522,918	64,542,796
(e) Short-term loans and advances		16	26,438,049	97,692,933
(f) Other current assets		17	407,969	430,676
			1,293,471,724	1,938,262,606
TOTAL			2,976,290,226	3,569,925,251
See accompanying notes forming part of the financial statements		I to 28		

In terms of our report attached.

For CNK & Associates LLP
Chartered Accountants

H.V.Kishnadwala
(Partner)
Membership No : 037391

For and on behalf of the Board

Dr. S.D.Israni
Chairman
(DIN : 00125532)

Amit Khemani
Managing Director
(DIN : 00057283)

Vincent Vaz
Whole-time Director
and Chief Financial Officer
(DIN : 02067875)

H.L. Thakkar
Company Secretary
(Mem No: A7898)

Place : Mumbai
Date : 26 July, 2021

Place : Mumbai
Date : 26 July, 2021

Statement of Profit and Loss for the period ended 31 March , 2021

Particulars		Note No.	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
1	Revenue from operations (gross)	18	2,561,406,237	5,165,484,881
	Less : Excise duty		575,077,321	1,767,013,151
	Revenue from operations (net)		1,986,328,916	3,398,471,730
2	Other income	19	195,317,277	92,254,486
3	Total Revenue (1 + 2)		2,181,646,193	3,490,726,216
4	Expenses:			
	(a) Cost of materials consumed	20	269,992,688	543,316,404
	(b) Changes in inventories of finished goods and work-in-progress	21	58,055,008	(10,718,629)
	(c) Employee benefits expense	22	94,562,086	108,859,128
	(d) Finance costs	23	154,186,875	17,659,311
	(e) Depreciation and amortisation expense	10	22,946,212	25,086,599
	(f) Other expenses	24	1,424,273,589	2,523,974,204
	Total expenses		2,024,016,458	3,208,177,017
5	Profit before tax (3 - 4)		157,629,735	282,549,199
6	Tax expense:			
	(a) Current tax		37,100,000	69,000,000
	(b) Deferred tax		4,209,125	5,599,419
	(c) Short/(Excess) provision of tax relating to prior years		983,907	109,312
			42,293,032	74,708,731
7	Profit for the year (5 - 6)		115,336,703	207,840,468
8	Earnings per share (of Rs. 3/- each):			
	Basic and diluted		3.13	5.63
	See accompanying notes forming part of the financial statements	I to 28		

In terms of our report attached.

For CNK & Associates LLP
Chartered Accountants

H.V.Kishnadwala
(Partner)
Membership No : 037391

For and on behalf of the Board

Dr. S.D.Israni
Chairman
(DIN : 00125532)

Vincent Vaz
Whole-time Director
and Chief Financial Officer
(DIN : 02067875)

Amit Khemani
Managing Director
(DIN : 00057283)

H.L. Thakkar
Company Secretary
(Mem No: A7898)

Place : Mumbai
Date : 26 July, 2021

Place : Mumbai
Date : 26 July, 2021

Cash flow statement for the period ended 31st March, 2021

	Particulars	Year Ended 31 March, 2021		Year Ended 31 March, 2020	
A.	CASH FLOW FROM OPERATING ACTIVITIES :				
	Profit before tax		157,629,735		282,549,199
	Adjusting for :				
	Depreciation and amortisation	22,946,212		25,086,599	
	Finance cost	154,186,875		17,659,311	
	Interest income	(172,255,517)		(54,351,941)	
	Profit on sale / discard of fixed assets (Net)	(65,961)		(43,719)	
	Profit on sale of current investment	(18,077,181)		(37,858,706)	
	Sundry credit balances written back	(4,918,618)	(18,184,190)	(120)	(49,508,576)
	Operating profit before working capital changes		139,445,545		233,040,623
	Changes in working capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	124,246,642		(73,696,955)	
	Trade receivables	(176,741)		524,638,351	
	Fixed Deposits	(2,391,329)		566,631,110	
	Short-term loans and advances	71,254,885		(24,072,453)	
	Long-term loans and advances	111,464,390		(1,171,049,092)	
	Other current assets	22,707		21,431,720	
			304,420,553		(156,117,319)
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	(272,658,988)		(401,712,863)	
	Other current liabilities	(145,403,609)		96,920,082	
	Other long-term liabilities	(103,011)		6,451,200	
	Short-term provisions	(442,785)		1,591,769	
	Long-term provisions	275,721		143,722	
			(418,332,672)		(296,606,090)
	Net Cash from Operations		25,533,426		(219,682,786)
	Net income tax (paid)		(20,541,184)		(81,649,037)
	Net cash flow from operating activities (A)		4,992,242		(301,331,823)
B.	CASH FLOW FROM INVESTING ACTIVITIES :				
	Capital expenditure on fixed assets, including capital advances	(27,336,078)		(38,152,077)	
	Proceeds on disposal of fixed assets	66,857		46,261	
	Purchase of Investment in Mutual fund	-		(1,689,269,619)	
	Proceeds from sale of Investment in Mutual Fund	450,500,693		755,358,876	
	Dividend received	-		-	
	Interest received	13,600,271		54,351,941	
	Net cash flow from/(used in) investing activities (B)		436,831,743		(917,664,619)

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	Particulars	Year Ended	
		31 March, 2021	31 March, 2020
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Payment of Interest	(114,010,563)	(17,659,311)
	Proceeds from borrowings - term loan	-	1,250,000,000
	Proceeds from borrowings - Inter corporate deposit from related party	153,000,000	150,000,000
	Repayment of borrowings- term loan	(500,224,629)	-
	Repayment of borrowings- Inter corporate deposit from related party	-	(150,000,000)
	Net cash flow (used in) financing activities (C)	(461,235,192)	1,232,340,689
	Net (Decrease) / Increase in Cash and Cash Equivalents (A+B)	(19,411,207)	13,344,248
	Cash and Cash Equivalents (Opening balance)	60,485,187	47,140,939
	Cash and Cash Equivalents (Closing balance)	41,073,980	60,485,187
	Cash and cash equivalents at the end of the year *		
	* Comprises:		
	Cash on hand	35,041	37,923
	Balances with banks :		
	In current accounts	41,038,939	60,447,264
	Total	(19,411,207)	13,344,248
	See accompanying notes forming part of the financial statements		

In terms of our report attached.

For CNK & Associates LLP
Chartered Accountants

H.V.Kishnadwala
(Partner)
Membership No : 037391

Place : Mumbai
Date : 26 July, 2021

For and on behalf of the Board

Dr. S.D.Israni
Chairman
(DIN : 00125532)

Vincent Vaz
Whole-time Director
and Chief Financial Officer
(DIN : 02067875)

Place : Mumbai
Date : 26 July, 2021

Amit Khemani
Managing Director
(DIN : 00057283)

H.L. Thakkar
Company Secretary
(Mem No: A7898)

1) Company information: -

Blossom Industries Limited (“the Company”) was incorporated on 10 August, 1989 under the Companies Act, 1956. The registered office of the Company is located at Village Jani Vankad, Nani Daman – 396 210 (U.T.). The Company is into the business of manufacture and sale of Beer. The manufacturing plant is located at Daman.

2) Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013 (“the Act”) as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates:

The preparation of the financial statements requires the Management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the judgments, estimates and assumptions used in preparation of the financial statements are prudent and reasonable. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Future results could differ on account of the same and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Property, Plant and Equipments:

Property, Plant and Equipments are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property, Plant and Equipments comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, Plant and Equipments up to the date the asset is ready for its intended use. They are stated at historical cost or amounts substituted on revaluation. Individual items of Property, Plant and Equipments costing Rs. 25,000 or less are expensed in the year of acquisition.

Property, Plant and Equipments retired from active use and held for disposal are stated at lower of their book value and realizable value and are shown separately under ‘Other current assets’.

The Company had revalued freehold land that existed on 1st April, 2000. Increase in the net book value on such revaluation is credited to Revaluation reserve. The revaluation was based on a valuation made by an independent valuer in the year 1999-2000.

Capital work-in-progress:

Property, Plant and Equipments which are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.4 Intangible Assets:

Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the assets will flow to the enterprise and the cost of asset can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortisation.

2.5 Depreciation and Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation on Plant and Machinery and Office Equipment is provided on written down value basis and on all other items of Property, Plant and Equipments, on straight line method basis, as per the useful life prescribed in Schedule II to the Act except in the case of :

Vehicles (two wheelers) where the useful life is considered as equal to five years.

Depreciation on assets retired from active use is provided up to the date of such retirement.

Land acquired on lease and classified as finance lease is amortised over the lease period.

Intangible assets consisting of Computer software is amortised over a period of 5 years.

2.6 Impairment of Assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.7 Borrowing Cost:

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing cost are charged to revenue.

2.8 Inventories:

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Costs of inventories comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Cost of stores and spares, raw materials, packing material, work-in-progress and finished goods is determined on first in first out basis.

2.9 Revenue Recognition:

- a. Sale of goods: Revenue on sale of products is recognized when the products are dispatched to the customers, all significant contractual obligations (including risk and rewards) have been satisfied and the collection of the resulting receivables is reasonably expected. Sales include excise duty but exclude value added tax and Goods and Service tax, as applicable.
- b. Export incentives: Export Incentive is accounted for when the right to receive the same is established and when there is no significant uncertainty regarding the ultimate collection of export proceeds.

Export benefit in the form of duty saved on cost of material purchased is recognised as reduction from material consumption when the advance license is used for the purchase of material and there is no significant uncertainty regarding the fulfilment of export obligation attached to it. The amount of duty saved is treated as contingent liability and disclosed as such till the export obligation is met.

- c. Other Income: Investment income i.e. gain or loss on investment is recognised as and when investment is sold or redeemed. Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.
- d. Revenue from sale of scrap is recognized as and when scrap is sold.

2.10 Employee Benefits:

- a) Defined Contribution Plan:

The Company's contribution paid/payable for the year to define contribution plans are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

- b) Defined Benefit Plan:

The Company's liabilities towards defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

c) Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive, ex-gratia and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

d) Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the define benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.11 Foreign Currency Transactions:

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences:

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.12 Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as Non-current investments.

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reason for the reduction no longer exists.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised in the financial statements nor disclosed in the financial statements.

2.14 Lease Rentals:

The Lease arrangement is classified as either a finance lease or an operating lease, at the inception of the lease, based on the substance of the lease agreement.

Finance leases:-

A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payment made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

In case of land acquired on long term lease (i.e. beyond a period of 15 years), the same is considered as finance lease.

Operating leases:-

Other leases are operating leases, and the leased assets are not recognized on the Company's Balance Sheet. Payments made under operating leases are recognized in statement of profit and loss on a straight-line basis as per the terms of the lease agreement.

2.15 Income Taxes:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates under the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognized as an asset in the Balance Sheet date when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax, which is computed on the basis of enacted/substantively enacted rates, is recognized, on timing differences, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future.

2.16 Earnings per share:

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

2.17 Cash and cash equivalents (for purposes of Cash Flow Statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.18 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Note 3 Share capital

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	Rupees	Number of shares	Rupees
Authorised				
Equity shares of Rs.3/- each	50,000,000	150,000,000	50,000,000	150,000,000
Issued, Subscribed and paid up				
Equity shares of Rs.3/- each	36,891,700	110,675,100	36,891,700	110,675,100
Total	36,891,700	110,675,100	36,891,700	110,675,100

(i) During the current year there is no change in the equity share capital of the Company.

(ii) Terms/ Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs 3 per share. Each equity shareholder is entitled to one vote per share. In the event of the liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of equity shares held by each shareholder holding more than 5% of the aggregate shares in the Company:

Name of shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	%	Number of shares	%
Harsha Amit Khemani	4,565,500	12.38	4,565,500	12.38
Amit Ashok Khemani	4,566,500	12.38	4,566,500	12.38
Laju Ashok Khemani	4,566,000	12.38	4,565,600	12.38
Vivek Suresh Khemani	4,565,500	12.38	4,565,500	12.38
Usha Suresh Khemani	4,565,600	12.38	4,565,600	12.38
Suresh K. Khemani-HUF	4,000,000	10.84	4,000,000	10.84
Ashok K. Khemani HUF	4,000,000	10.84	4,000,000	10.84
Ashok Kewalram Khemani	3,355,000	9.09	3,355,000	9.06

Note 4 Reserves and surplus

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Capital Reserve		
Opening balance	1,041,500	1,041,500
Add : Amount received on Equity shares forfeited in earlier years	-	-
Opening balance / Closing balance	1,041,500	1,041,500
General Reserve		
Opening balance	600,000,000	600,000,000
Opening balance / Closing balance	600,000,000	600,000,000
Revaluation Reserve		
Opening balance / Closing balance	4,580,746	4,580,746
Surplus in Statement of Profit and Loss		
Opening balance	710,837,272	502,996,804
Add : Profit for the year	115,336,703	207,840,468
Closing balance	826,173,975	710,837,272
Total	1,431,796,221	1,316,459,518

Capital Reserve :

Balance in Capital reserve is accreted out of the amount paid on forfeited equity shares. The balance is not available for distribution as dividend.

General Reserve :

General Reserve is the portion of earnings of the Company appropriated by the management for a general purpose. The balance is available for distribution as dividend.

Revaluation Reserve :

Revaluation reserve was created in the year 1999-2000 on the revaluation of freehold land. The balance is not available for distribution as dividend.

Note 5 Long-term Borrowing

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Secured Loan :		
Term Loan - From a Non-Banking Financial Company	749,775,371	1,150,000,000
Unsecured Loan :		
Inter Corporate Deposit from a Related Party	153,000,000	-
Total	902,775,371	1,150,000,000

Notes:

Term loan from Axis Finance Limited, a Non-Banking Financial Company:

- Secured by first exclusive charge on the entire movables and immovable properties, current as well as future of the Company, including inter-corporate loan to Shree Naman Developers Private Limited of Rs.1,302,116,475/- (Including Interest accrued) and personal guarantees of the Managing Director and one of his relatives, by way of primary security; and pledge cover of the entire stake of the promoters in the Company by way of collateral security.
- Rate of interest 12% per annum (to be re-set annually on the basis of State bank of India MCLR rate) payable quarterly. Loan is repayable after 3 years in 15 quarterly installments.
- Pending deployment of the fund for the purpose for which the loan is obtained, the loan amount has been invested in the mutual fund (See Note 12).

Note 6 Other long-term liabilities

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Advances from employees	-	103,011
Lease rental payables	17,169,600	17,169,600
Total	17,169,600	17,272,611

Note 7 Long-term provisions

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Provision for employee benefits:		
Provision for compensated absences	2,963,585	2,687,864
Total	2,963,585	2,687,864

Note 8 Other current liabilities

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Current maturities of long term debts	-	100,000,000
Interest accrued and not due on Inter Corporate Deposit	9,831,255	-
Interest accrued and due on Term Loan	30,345,057	-
Statutory liabilities :		
Tax deducted at source	34,880,861	51,299,384
Excise duty	6,438,436	27,208,060
VAT and CST on sales	46,184,597	35,625,081
Goods & Service Tax	1,095,299	2,083,762
Others	1,547,256	1,951,374
Employee related payments	4,417,474	4,712,128
Director's Remuneration payable	7,894,112	16,330,954
Advance from employees	85,665	-
Trade / security deposits received	4,900,000	900,000
Advances from customers	266,062,856	344,028,664
Payable for purchase of fixed assets	22,342,282	1,014,404
Other Liabilities	15,303,584	50,074,341
Total	451,328,734	635,228,152

Note 9 Short-term provisions

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Provision for employee benefits:		
Provision for compensated absences	322,346	268,377
Provision for gratuity	947,231	1,275,056
Provision for Bonus and Exgratia	3,251,509	3,420,438
Total	4,521,086	4,963,871

Note - 10 - Property, Plant and Equipment

(Rupees)

	Particulars	Gross Block			Depreciation and Amortisation				Net Block		
		Opening Balance as at 1 April 2020	Additions	Deductions/ Adjustment	Balance as at 31 March 2021	Opening Balance as at 1 April, 2020	For the year	Deduction	Balance as at 31 March 2021	Balance as at 31 March 2021	Balance as at 31 March 2020
A	Tangible Assets										
	Land (Freehold) (See Note 1 below)	14,403,354 *	-	-	14,403,354	-	-	-	-	14,403,354	14,403,354
		<i>14,403,354*</i>	-	-	<i>14,403,354</i>	-	-	-	-	<i>14,403,354</i>	<i>14,403,354</i>
	Land (Lease hold) (See Note 2 below)	20,235,600	-	-	20,235,600	791,300	613,200	-	1,404,500	18,831,100	19,444,300
		<i>12,632,400*</i>	7,603,200	-	<i>20,235,600</i>	<i>350,900</i>	<i>440,400</i>	-	<i>791,300</i>	<i>19,444,300</i>	<i>12,281,500</i>
	Buildings	341,927,717	15,546,349	-	357,474,066	167,287,534	9,978,849	-	177,266,383	180,207,683	174,640,183
		<i>341,609,117</i>	<i>318,600</i>	-	<i>341,927,717</i>	<i>157,319,858</i>	<i>9,967,676</i>	-	<i>167,287,534</i>	<i>174,640,183</i>	<i>184,289,259</i>
	Plant and Equipments	1,201,551,323	43,960,412	219,668	1,245,292,067	1,178,103,655	8,251,942	218,772	1,186,136,822	59,155,245	23,447,668
		<i>1,200,467,696</i>	<i>1,083,627</i>	-	<i>1,201,551,323</i>	<i>1,166,695,911</i>	<i>11,407,744</i>	-	<i>1,178,103,655</i>	<i>23,447,668</i>	<i>33,771,785</i>
	Office Equipments	6,660,587	35,200	-	6,695,787	6,181,852	220,977	-	6,402,829	292,958	478,735
		<i>6,590,547</i>	<i>147,332</i>	<i>77,292</i>	<i>6,660,587</i>	<i>5,920,494</i>	<i>336,108</i>	<i>74,750</i>	<i>6,181,852</i>	<i>478,735</i>	<i>670,053</i>
	Furniture and Fixtures	21,913,089	41,300	-	21,954,389	21,393,140	145,134	-	21,538,274	416,115	519,949
		<i>21,913,089</i>	-	-	<i>21,913,089</i>	<i>21,193,767</i>	<i>199,373</i>	-	<i>21,393,140</i>	<i>519,949</i>	<i>719,322</i>
	Vehicles	22,160,945	613,134	126,900	22,647,179	12,677,398	2,783,451	126,900	15,333,949	7,313,230	9,483,547
		<i>19,351,259</i>	<i>2,994,385</i>	<i>184,699</i>	<i>22,160,945</i>	<i>10,323,498</i>	<i>2,538,599</i>	<i>184,699</i>	<i>12,677,398</i>	<i>9,483,547</i>	<i>9,027,761</i>
	Computer Equipments	5,322,952	212,400	-	5,535,352	3,957,132	567,592	-	4,524,724	1,010,628	1,365,820
		<i>3,948,362</i>	<i>1,411,090</i>	<i>36,500</i>	<i>5,322,952</i>	<i>3,871,165</i>	<i>122,467</i>	<i>36,500</i>	<i>3,957,132</i>	<i>1,365,820</i>	<i>77,197</i>
	Tangible Assets - Total	1,634,175,567	60,408,795	346,568	1,694,237,794	1,390,392,012	22,561,145	345,672	1,412,607,481	281,630,313	243,783,556
	<i>Previous Year</i>	<i>1,620,915,824</i>	<i>13,558,234</i>	<i>298,491</i>	<i>1,634,175,567</i>	<i>1,365,675,593</i>	<i>25,012,367</i>	<i>295,949</i>	<i>1,390,392,011</i>	<i>243,783,556</i>	<i>255,240,231</i>
B	Intangible Assets										
	Computer software	599,440	3,643,167	-	4,242,607	74,232	385,067	-	459,299	3,783,308	525,208
		-	<i>599,440</i>	-	<i>599,440</i>	-	<i>74,232</i>	-	<i>74,232</i>	<i>525,208</i>	-
	Intangible Assets - Total	599,440	3,643,167	-	4,242,607	74,232	385,067	-	459,299	3,783,308	525,208
	<i>Previous Year</i>	<i>-</i>	<i>599,440</i>	<i>-</i>	<i>599,440</i>	<i>-</i>	<i>74,232</i>	<i>-</i>	<i>74,232</i>	<i>525,208</i>	<i>-</i>
	Total - (a+b)	1,634,775,007	64,051,962	346,568	1,698,480,401	1,390,466,244	22,946,212	345,672	1,413,066,780	285,413,621	244,308,764
	<i>Previous Year</i>	<i>1,620,915,824</i>	<i>14,157,674</i>	<i>298,491</i>	<i>1,634,775,007</i>	<i>1,365,675,593</i>	<i>25,086,599</i>	<i>295,949</i>	<i>1,390,466,243</i>	<i>243,783,556</i>	<i>255,240,231</i>

Notes:

- Includes increase in value of Land (freehold) Rs. 4,580,746 consequent to revaluation as per approved valuer's report in the year 1999-2000.
- Land acquired on lease for a period of 33 years is capitalised at value equal to lease rent payable for the lease period and the same is amortised over the lease period.
- Figures in *italics* are in respect of previous year.

Note 11 Long-term loans and advances - (Unsecured, considered good)

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Capital advances	9,449,250	12,490,749
Security deposits	8,428,100	10,786,420
Tender deposits	1,400,000	4,258,318
Other deposits	5,471,104	5,471,104
Loans and advances to employees	458,500	120,000
Prepaid expenses	1,834,768	964,196
Inter corporate loan (Refer Note 5 (a))	1,129,000,000	1,129,000,000
Interest accrued on inter corporate loan (Refer Note 5 (a))	173,116,475	14,461,230
Advance income tax (Net of provisions - Rs. 238,198,018/-, 31st March, 2020 Rs.294,228,925/-)	14,341,177	31,883,898
Balances with government authorities :		
Service tax paid under protest*#	49,344,615	89,507,477
VAT paid under protest#	-	2,573,306
GST on Production overheads paid under protest#	-	64,881,655
Tax paid under protest	270,000	109,000
Total	1,393,113,989	1,366,507,353

*Represents amount recoverable from the Brand owner.

Balance represents amount recoverable from the Brand owners net of amount transferred to their respective accounts during the year.

Note 12 Current Investments (as cost or fair value, whichever is lower)

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Non Trade Investments (Unquoted)		
In Mutual Fund : -		
Axis Liquid Fund-Direct- Growth (372,879 units at 31 March, 2021, Previous Year - 570,289 units) *	816,850,689	1,249,190,000
Axis Mutual Fund-Liquid Fund (Nil units as 31 March, 2021, Previous Year - 38 units)	-	84,201
Total	816,850,689	1,249,274,201
Net Asset Value of above Investments as at year end	851,950,795	1,257,193,926

Note :-

*The loan funds received from Axis Finance Limited (AFL) have been invested in this fund pending completion of all the conditions precedent to the use of such funds. AFL has a lien marked on the 358,429 units of Rs.785,195,682/- until the completion of all conditions precedent.

Note 13 Inventories

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Raw materials (including stock with third party Rs.11,314,034/-, As at 31st March 2020 Rs. 53,273,525/-)	49,887,069	92,243,970
Work-in-Progress	18,807,915	29,686,579
Finished goods	34,100,605	102,046,500
Stores and spares (including goods in transit Rs.4,206,198/-, As at 31st March 2020 Rs.Nil)	50,064,927	36,636,134
Packing materials (including goods in transit Rs. Nil, As at 31st March 2020 Rs.25,668,503/-)	70,265,534	86,759,509
Total	223,126,050	347,372,692

Note 14 Trade receivables (Unsecured)

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Outstanding for a period exceeding six months from the due date		
Considered good	495,070	793,295
Considered Doubtful	836,577	836,577
	1,331,647	1,629,872
Less : Provision for doubtful trade receivables	(836,577)	(836,577)
Total	495,070	793,295
Other trade receivables		
Considered good	178,630,979	178,156,013
Total	179,126,049	178,949,308

Note 15 Cash and bank balances

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
(a) Cash and cash equivalents		
(i) Cash on hand	35,041	37,923
(ii) Balances with banks :		
In current accounts	41,038,939	60,447,264
	41,073,980	60,485,187
(b) Other Bank balances		
Margin money with banks (See Note below)	6,448,938	4,057,609
Total	47,522,918	64,542,796

Note: Jointly held with Revenue authorities in compliance of statutory requirements.

Note 16 Short-term loans and advances (Unsecured, considered good)

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Loans and advances to employees	384,000	683,289
Prepaid expenses	7,609,230	7,602,491
Advance to suppliers	6,586,472	10,519,278
Balances with government authorities :		
Excise duty	10,200,140	62,410,005
GST	5,922	-
Import fees	19,300	9,668,580
Export Incentive claim	1,562,575	-
Others	70,410	6,809,290
Total	26,438,049	97,692,933

Note 17 Other current assets

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Interest accrued on deposits held as margin money with banks	407,969	430,676
Total	407,969	430,676

Note - 18 Revenue from Operations

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Sale of products (Refer Note (i) below)	2,535,585,890	5,116,392,009
Other operating revenues (Refer Note (ii) below)	25,820,347	49,092,872
Total	2,561,406,237	5,165,484,881
<u>Less :</u>		
Excise Duty	575,077,321	1,767,013,151
Total	1,986,328,916	3,398,471,730

Notes:

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
(i) Sale of products comprises :		
<u>Manufactured goods</u>		
Beer	2,535,585,890	5,116,392,009
Total - Sale of manufactured products	2,535,585,890	5,116,392,009
(ii) Other operating revenues comprises :		
Sales of waste / by products, etc.	24,164,199	28,063,382
Compensation for Volume Commitment	-	21,016,346
Export incentives	1,656,148	13,144
Total - Other operating revenues	25,820,347	49,092,872

Note 19 Other Income

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Interest Income:-		
on bank deposits, including on deposits held as Margin Money	308,453	37,770,351
on inter corporate loan	171,519,184	16,068,033
on income tax / fringe benefit tax refund	2,394	
on security deposit	425,486	513,557
	172,255,517	54,351,941
Profit on sale of fixed assets (Net)	65,961	43,719
Sundry credit balance written back (Net)	4,918,618	120
Profit on sale of mutual fund - current investments (See Note)	18,077,181	37,858,706
Total Other income	195,317,277	92,254,486

Note: Includes Rs.52,090 received on account of balanced redemption proceeds of units of Nippon India Strategic Debt Fund sold in earlier years.

Note 20 Cost of materials consumed

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Opening Stock	92,243,970	57,548,593
Add : Purchases	227,635,787	578,011,781
Less : Closing Stock	49,887,069	92,243,970
Cost of material consumed	269,992,688	543,316,404
Raw material consumed comprises :		
(i) Malt	144,389,860	285,204,391
(ii) Rice broken/flakes	57,418,295	133,239,335
(iii) Sugar	16,343,961	30,712,144
(iv) Others	51,840,572	94,160,534
Total	269,992,688	543,316,404

Note 21 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
<u>Inventories at the end of the year:-</u>		
Finished goods	34,100,605	102,046,500
Work-in-progress	18,807,915	29,686,579
Total	52,908,520	131,733,079
<u>Inventories at the beginning of the year:-</u>		
Finished goods	102,046,500	109,046,199
Work-in-progress	29,686,579	24,853,621
Total	131,733,079	133,899,820
Add / (Less) Adjustment for Excise Duty on Stock	20,769,551	12,885,370
Net decrease / (increase)	58,055,008	(10,718,629)

Note 22 Employee benefits expense

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Salaries, wages, bonus, allowances, etc.	85,440,721	97,460,093
Contribution to provident and other funds	5,792,710	5,896,208
Gratuity expenses	672,281	2,570,160
Staff welfare expenses	2,656,374	2,932,667
Total	94,562,086	108,859,128

Note 23 Finance Cost

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Interest expenses:-		
on Term Loan	143,527,575	16,849,315
on inter corporate deposit	10,628,384	786,885
on payment of statutory dues	30,916	23,111
Total	154,186,875	17,659,311

Note 24 Other expenses

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Packing materials consumed	700,726,476	1,343,208,119
Consumption of stores and spares	17,894,493	30,801,848
Contract labour charges - Manufacturing	9,539,658	18,955,539
Security, Housekeeping and others	10,845,032	15,147,640
Power and fuel	67,370,562	106,829,230
Repairs and maintenance - Buildings	5,796,938	11,938,874
Repairs and maintenance - Machinery	8,448,679	18,926,641
Repairs and maintenance - Others	416,483	1,064,394
Insurance	5,885,456	2,844,168
Brand Owner's Surplus / License fees (Net)	470,597,941	548,548,051
Director's sitting fees	3,422,000	3,186,000
Rent	794,968	1,477,750
Rates , taxes, duties , fees etc.	15,266,812	88,331,307
Communication	1,015,194	1,820,442
Travelling and conveyance	595,342	8,159,106
Legal and professional fees (Refer Note below)	12,881,444	38,755,100
Advertisement and publicity	10,043,191	18,553,002
Carriage outward	43,637,988	149,430,483
Loading charges	4,422,808	10,253,285
Commission on Sales	3,160,142	15,484,165
Cash discount	11,340,900	10,984,630
Corporate Social Responsibility Expenditure (See Note 27.1)	5,837,334	6,012,000
Donation	2,500	20,337,744
Net loss on foreign currency transaction and translation (Net)	1,472,334	1,619,852
Miscellaneous expenses	12,858,914	51,304,834
Total	1,424,273,589	2,523,974,204

Notes (i)

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
<u>Legal and Professional fees Includes payment to the auditors as under: (excluding service tax/Gst):</u>		
As auditors - statutory audit	1,750,000	1,750,000
For Tax Audit	350,000	350,000
Out of pocket expenses	-	53,356
Total	2,100,000	2,153,356

25 Contingent liabilities and commitments:

(i) Contingent liabilities :

- a. I. Claims against the Company not acknowledged as debts Rs. 11,426,140/- (Previous year Rs. 11,426,140/-) comprises of Rs. 5,433,865/- (Previous year Rs. 5,433,865/-) towards indirect tax demands and Rs. 5,992,275/- (Previous year Rs. 5,992,275/-) towards claims from vendors. Against such demands, Rs. 2,573,306/- (Previous Year Rs. 2,573,306/-) is deposited with the Commercial tax authorities Bihar under protest and Rs. 5,471,104/- (Previous Year Rs. 5,471,104/-) is deposited with the High Court receiver respectively. Against the said demand towards indirect tax of Rs.54,33,865/-, the Company has received favourable order pertaining to demand of Rs.16,47,264/- from Commercial Taxes Tribunal, Bihar, Patna on Dt.21.12.2020.
- II. Income tax demands not acknowledged as debt Rs.1,383,569/- (Previous year Rs.1,274,128/-). The tax demand is raised under section 201 (1) of the Income Tax Act, 1961. Rs.270,000/- (P.Y. 270,000/-) is deposited with the Income tax authorities against the demand. Appeals against the said demands have been filed with the Income tax Appellate Tribunal. The Order of the Tribunal is awaited.

- b) Following an amendment to the definition of 'business auxiliary services' by the Finance Act, 2009, the Company became liable to pay service tax on production of goods not covered under Central Excise Act, 1944 for or on behalf of others. The Company, along with others in the Industry, has filed a petition challenging the validity of this levy in the Hon'ble High Court of Bombay, for which hearing is pending. In the meanwhile, the Company received show cause-cum-demand notices demanding payment of service tax for the period from 23 September, 2009 to 30 June, 2012 aggregating Rs. 286,030,616 (excluding interest and penalty) in the earlier years, against which the Company deposited Rs. 209,402,036 (including interest Rs. 32,750,955) under protest. Against the same, the Company has filed appeals before the Customs, Excise and Service Tax Appellate Tribunal (CESTAT).

On 1 September, 2015, the CESTAT held that the Company is liable to pay service tax under Business Auxiliary Services on charges received for production or processing of goods for or on behalf of client on which central excise is not applicable. Based on the Order of the CESTAT, the Company determined the liability of Rs. 160,057,421 (including interest Rs.30,821,963). The sum of Rs. 209,402,036 paid under protest as above is appropriated / considered by the Company as amount paid against the said liability of Rs. 160,057,421. The said payment, made on behalf of the brand owner, is confirmed by the brand owner. The balanced sum of Rs. 4,93,44,615, out of the amount paid under protest, is disclosed as such under long term loans and advances (See Note 11).

During the financial year 2016-17, the Central Excise authorities filed an appeal against the Order of the CESTAT before the Hon'ble Supreme Court in respect of which the hearing proceedings are yet to be initiated. Based on the advice from its service tax consultant and those of the brand owners, the Company is hopeful of a favourable Order from the Hon'ble Supreme Court and accordingly, no adjustment in the financial statements is considered necessary at this stage.

- c) The Company has received Show cause notice ('SCN') from Directorate General of Goods & Service Tax Intelligence), Bengaluru. As per the SCN, Service tax of Rs.45,336,500 is sought to be levied on amounts received by the Company as reimbursements of expenses towards water charges, electricity charges, fuel charges, administrative charges, selling and distribution expenses, etc. during the period from 01 June 2015 to 30 June 2017. The Company has denied any liability on account of the same before the Office of the Commissioner Central G.S.T., Daman Commissionerate during the personal hearing as well as by written submission As on date, no Order has been passed by the authority. As per the contract with its principal, the Company is entitled to reimbursement if eventually the liability crystalizes. Accordingly, the Company does not deem it necessary to provide for the liability in its books of accounts.
- d) The Company has received Demand Notice from Directorate General of Goods and Service Tax Intelligence for payment of Goods and Service tax (GST) of Rs.193,795,646 on the production overhead charges received from United Breweries Ltd. ('UBL') during the period from 01 July 2017 to 31 Jan 2020. Against the said Notice, the Company has filled writ petition before the Hon'ble Bombay High Court. On account of pandemic condition prevailing in the country, the matter is yet to be heard by the Hon'ble Bombay High Court.

With respect to GST liability on production overhead charges, UBL has obtained Advance Ruling on 28.06.2018 ('AR') from the Authority for Advance Ruling, Karnataka. As per AR, the contract brewing / bottling units are not engaged in supply of service and accordingly, it is not liable to pay GST. On appeal by the Revenue against AR, the Appellate Authority for Advance Ruling, by its Order dated 23/10/2018 has confirmed the AR.

Accordingly, and as advised by UBL, the Company is not paying GST for the period 01 July 2017 to 31 March 2021, estimated at Rs.241,885,622 (Previous year Rs. 204,275,751). In any case, UBL has agreed to reimburse the Company if ultimately,GST is levied, (including interest for delayed payment of GST). Accordingly, the Company, has not made provision for the same.

- e) Corporate Guarantee to a bank for financial facilities of Rs. 175 crores (Previous year Rs. Nil) granted to a Related Party.

(ii) Commitments :-

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	11,050,000	42,828,452
Estimated amount of obligation on account of non fulfillment of export commitments under various Advance Licences	-	683,158

(iii) The Company's pending litigations comprise of claims against the Company by the parties and proceedings pending with Revenue authorities. The Company has reviewed all its pending litigation and proceedings and has adequately provided for where provisions are required or disclosed as the Contingent Liabilities, where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have materially adverse effects on its financial results.

26 Disclosure in accordance with Accounting Standards :

26.1 Accounting Standard (AS) 15 – Employee Benefits:

Defined Contribution Plan:

Contribution to Defined Contribution Plan recognized as an expense for the year is as under:

(Amount in Rupees)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Employer's Contribution to Provident fund	5,792,710	5,896,208

Defined Benefit Plan: Gratuity

The employees Gratuity Fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method.

a) Reconciliation of Opening and Closing balances of Defined Benefit Obligation:

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Liability at the Beginning of the Year	17,168,313	13,854,215
Interest Cost	1,172,596	1,079,243
Current Service Cost	1,358,808	1,145,205
Past Service Cost –Vested Benefit	-	-
Benefits Paid	(955,250)	(283,561)
Actuarial (gain)/Loss on obligations – Due to change in Financial Assumption	(30,785)	1,347,085
Actuarial (gain)/Loss on obligations – Due to change in Demographic Assumption	-	(58,605)
Actuarial (gain)/Loss on obligations – Due to Experience	(842,672)	84,731
Liability at the end of the Year	17,87,010	17,168,313

b) Reconciliation of Opening and Closing Balances of fair value of Plan assets:

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Fair value of Plan Assets at the beginning of the Year	15,893,257	15,081,548
Expected Return on Plan Assets	1,085,509	1,174,853
Contributions	995,891	67,771
Benefits paid	(955,250)	(283,561)
Actuarial Gain / (loss) on Plan Assets due to Experience	(95,628)	(147,354)
Fair value of Plan Assets at the end of the Year	16,923,779	15,893,257

c) Reconciliation of fair value of plan assets and obligations:

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Liability at the end of the Year	17,871,010	17,168,313
Fair value of Plan Assets at the end of the year	16,923,779	15,893,257
Plan assets / (Obligation) recognized in the Balance Sheet	(947,231)	(1,275,056)

Cash outflow on account of contribution for F.Y.2020-21 is expected to be higher by Rs.947,231/- (Previous year higher by Rs. 1,275,056/-)

d) Expense recognized during the year:

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Current Service Cost	1,358,808	1,145,205
Past Service Cost – Vested Benefit	-	-
Interest Cost	1,172,596	1,079,243
Expected Return on Plan Assets	(1,085,509)	(1,174,853)
Actuarial (Gain) or Loss	(777,829)	1,520,565
Expense recognized in Profit and Loss	668,066	2,570,160

e) Actual Return on Planned Assets :

Particulars	As at 31 March, 2021 Rupees	As at 31 March, 2020 Rupees
Expected Return on Plan Assets	1,085,509	1,174,853
Actuarial Gain/ (Loss) on Plan Assets	(95,628)	(147,354)
Actual Return on Plan Assets	989,881	1,027,499

f) Investment Details:

Particulars	% Invested As at 31 March, 2021	% Invested As at 31 March, 2020
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of the plan assets is not available.	100%	100%

g) Actuarial Assumptions:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Mortality Table- Indian Assured Lives Mortality	2006-08 (Std)	2006-08 (Std)
Discount Rate (per annum)	6.85%	6.83%
Expected Return on Plan Assets	6.85%	6.83%
Rate of escalation in salary (per annum)	8.00%	8.00%
Attrition rate	4.00%	4.00%

h) Experience Adjustments:

Particulars	31-3-2021 Amount Rs.	31-3-2020 Amount Rs.	31-3-2019 Amount Rs.	31-3-2018 Amount Rs.	31-3-2017 Amount Rs.
Defined Benefit Obligation	17,871,010	17,168,313	13,854,215	12,517,492	12,133,474
Fair Value of Plan Assets	16,923,779	15,893,257	15,081,548	11,390,423	9,372,171
Surplus/(Deficit)	(947,231)	(1,275,056)	1,227,333	(1,127,069)	(2,761,303)
Experience Adjustment on Plan Assets –Gain / (Loss)	(95,628)	(147,354)	(87,056)	(29,449)	(80,050)
Experience Adjustment on Plan Liabilities (Gain) / Loss	(842,672)	84,731	(602,734)	(724,028)	398,745

The estimates in the rates of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from the actuary.

Other Long Term Employees Benefit

Based on actuarial valuation carried out using the projected unit credit method, for the year ended 31 March 2021, there is a charge on account of the Compensated Absences of Rs. 670,710/- (Previous year charge of Rs. 599,804/-).

26.2 Accounting Standard (AS) – 17 – Segment Reporting:

a) Primary Segment – Business Segment:

The principal business of the Company is of “Manufacture and Sale of Beer”. Accordingly, there is only one primary reportable business segment as defined by Accounting Standard 17 – “Segment Reporting” (AS 17) as notified by the Companies (Accounting Standards) Rules, 2006.

b) Secondary Segment – Geographical Segment:

The Company mainly sales in the domestic market though there are few export sales, but as revenue from export sales doesn’t constitute 10% or more of the total revenue, the same is not identified as a reportable segment. Hence, there is only a single reportable geographical segments, the information of which is disclosed in the financial statements.

26.3 Accounting Standard (AS) 18 - Related Party Disclosures:

a) List of Related parties and Relationships

Sr. No.	Names of Related parties	Nature of Relationship
1	Mr. Amit A. Khemani	Key Management Personnel (KMP)
2	Mr. Vincent Vaz	
3	Mr. Ashok K. Khemani	Promoters directly or indirectly holding more than 20% stake
4	Mr. Suresh K. Khemani	
5	Dr. S.D. Israni	Chairman and Independent Director
6	Mr. D.T. Khilnani	Independent Directors
7	Ms. Lila Poonawala	
8	Dr. P. Kotaiah	
9	Mr. P.R. Barpande	
10	Mr. Harsh Vardhan Jajoo	
11	Khemani Distilleries Private Limited	Entities where individuals i.e. Key Management Personnel, Promoters and their relatives have Control and / or significant Influence and with whom transactions have taken place during the year.
12	K.H.Khemani & Sons.	
13	Kamla Kewalram Khemani Foundation	
14	Hariraj Cosmetics	
15	Perfunova International Limited	
16	Can Pack India Private Limited (till 20 th March, 2020)	

Note : Related parties have been identified by the management.

b) Transactions with Related parties

Amount in Rupees

	Particulars	Key Management Personnel and Independent Directors	Promoters	Other related parties where control/significant influence exists
I	Remuneration paid to Managing Director - Mr. Amit Khemani Whole time Director-cum-CFO- Mr. Vincent Vaz	16,529,600 (20,826,720) 5,535,807 (7,149,576)	Nil (Nil) Nil (Nil)	Nil (Nil) Nil (Nil)

	Particulars	Key Management Personnel and Independent Directors	Promoters	Other related parties where control/significant influence exists
2	Reimbursement of expenses incurred by Mr.Amit Khemani on behalf of the Company	402,968 (2,831,782)	Nil (Nil)	Nil (Nil)
3	Sales to M/s.K.H.Khemani & Sons	Nil (Nil)	Nil (Nil)	1,676,080,515 (1,660,206,701)
4	Reimbursement of expense paid to K.H.Khemani & Sons	Nil (Nil)	Nil (Nil)	30,890,146 (37,808,779)
5	Donation paid to Kamla Kewalram Khemani Foundation	Nil (Nil)	Nil (Nil)	Nil (100,000)
6	Loan received from Khemani Distilleries Private Limited	Nil (Nil)	Nil (Nil)	153,000,000 (150,000,000)
7	Loan repaid to Khemani Distilleries Private Limited	Nil (Nil)	Nil (Nil)	Nil (150,000,000)
8	Interest on loan to Khemani Distilleries Private Limited	Nil (Nil)	Nil (Nil)	10,628,384 (786,885)
9	Sales of Miscellaneous Factory items, Raw materials and Scrap to Khemani Distilleries Private Limited (Net)	Nil (Nil)	Nil (Nil)	260,369 (Nil)
10	Purchases w.r.t. Corporate Social Responsibility and Factory expenses from Perfunova International Limited	Nil (Nil)	Nil (Nil)	95,759 (5,736,780)
11	Sales of Miscellaneous Factory items to Perfunova International Limited	Nil (Nil)	Nil (Nil)	13,999 (Nil)
12	Purchases w.r.t. Corporate Social Responsibility and Factory expenses from Hariraj Cosmetics	Nil (Nil)	Nil (Nil)	293,558 (Nil)
13	Sales of Miscellaneous Factory items to Hariraj Cosmetics	Nil (Nil)	Nil (Nil)	25,918 (Nil)
14	Purchase from Can Pack India Private Limited	Nil (Nil)	Nil (Nil)	Nil (419,069,246)
15	Sales of Scrap to Can Pack India Private Limited	Nil (Nil)	Nil (Nil)	Nil (2,447,363)
16	Advance to Supplier - Hariraj Cosmetics and refund of advance	Nil (Nil)	Nil (Nil)	Nil (5,711,200)
17	Sitting Fees and Commission to Mr. S.D. Israni	779,000 (962,000)	Nil (Nil)	Nil (Nil)
18	Sitting Fees and Commission to Mr. D.T. Khilnani	779,000 (962,000)	Nil (Nil)	Nil (Nil)
19	Sitting Fees and Commission to Ms. Lila Poonawala	679,000 (962,000)	Nil (Nil)	Nil (Nil)
20	Sitting Fees and Commission to Dr. P. Kotaiah	779,000 (962,000)	Nil (Nil)	Nil (Nil)
21	Sitting Fees and Commission to Mr. P.R. Barpande	779,000 (862,000)	Nil (Nil)	Nil (Nil)
22	Sitting Fees and Commission to Mr. Harsh Vardhan Jajoo	779,000 (762,000)	Nil (Nil)	Nil (Nil)
23	Corporate Guarantee to a bank for financial facilities granted to Khemani Distilleries Private Limited.			1,750,000,000 (Nil)

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	Particulars	Key Management Personnel and Independent Directors	Promoters	Other related parties where control/significant influence exists
	Year end Balances :			
1	Remuneration payable to Managing Director – Mr.Amit Khemani Whole time Director-cum-CFO- Mr. Vincent Vaz	4,082,718 (10,093,600) 1,862,394 (2,964,394)	Nil (Nil) Nil (Nil)	Nil (Nil) Nil (Nil)
2	Reimbursement of expenses payable to Managing Director-Mr.Amit Khemani	Nil (32,827)	Nil (Nil)	Nil (Nil)
3	Reimbursement of expenses payable to Whole time Director-cum-CFO Mr.Vincent Vaz	11,500 (11,500)	Nil (Nil)	Nil (Nil)
4	Advance received from Mr.Vincent Vaz-Whole Time Director	2,000 (2,000)	Nil (Nil)	Nil (Nil)
5	Advance from / (to) M/s K. H. Khemani & Sons outstanding	Nil (Nil)	Nil (Nil)	Nil (77,860,210)
6	Receivable from M/s K. H. Khemani & Sons	Nil (Nil)	Nil (Nil)	49,617,655 (Nil)
7	Payable to Perfunova International Limited	Nil (Nil)	Nil (Nil)	7,203 (24,780)
8	Loan payable along with Interest to Khemani Distilleries Pvt. Ltd.	Nil (Nil)	Nil (Nil)	162.831.255 (Nil)
8	Receivable from Khemani Distilleries Pvt. Ltd.	Nil (Nil)	Nil (Nil)	11,045 (Nil)
9	Payable to Can Pack India Private Limited	Nil (Nil)	Nil (Nil)	Nil (20,895,081)
10	Receivable from Can Pack India Private Limited	Nil (Nil)	Nil (Nil)	Nil (363,753)
11	Commission Payable to Dr. S.D. Israni	2,75,000 (4,62,000)	Nil (Nil)	Nil (Nil)
12	Commission Payable to Mr.D.T. Khilnani	2,75,000 (4,62,000)	Nil (Nil)	Nil (Nil)
13	Commission Payable to Ms. Lila Poonawala	2,75,000 (4,62,000)	Nil (Nil)	Nil (Nil)
14	Commission Payable to Dr. P. Kotaiah	2,75,000 (4,62,000)	Nil (Nil)	Nil (Nil)
15	Commission Payable to Mr. P.R. Barpande	2,75,000 (4,62,000)	Nil (Nil)	Nil (Nil)
16	Commission Payable to Mr. Harsh Vardhan Jajoo	2,75,000 (4,62,000)	Nil (Nil)	Nil (Nil)
17	Corporate Guarantee to a bank for financial facilities granted to Khemani Distilleries Private Limited.			1,750,000,000 (Nil)

Note: Comparative figures for the previous year have been given in brackets.

- c) No amount was written off / back during the year in respect of dues from or to related parties.

26.4 Accounting Standard (AS) 19 - Leases:

The Company has taken Shop under operating lease for the period of 5 (Five) years

The lease rental recognised as expenses in the Statement of Profit and Loss during the year and the future minimum lease payments are as under:

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
i. Lease expenses recognized in the Statement of Profit and Loss	142,965	136,150
Lease payable within one year		
Later than one year and not later than five years	150,116	142,965
Later than five years	63,815	213,930
ii. Significant leasing arrangements	Nil	Nil
	-	-
The Company has paid refundable interest free security deposit of Rs. 50,000/- under this agreement		

26.5 Accounting Standard (AS) 20 – Earning Per Share (EPS):

	Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
A	Net Profit after tax as per Statement of Profit and Loss (in Rupees)	115,336,703	207,840,468
B	Weighted average number of equity shares outstanding (Nos.)		
		36,891,700	36,891,700
C	Nominal value per equity share (in Rupees)	3	3
D	Earnings per share (in Rupees)		
	- Basic and diluted	3.13	5.63

26.6 Accounting Standard (AS) 22 – Accounting for Taxes on Income:

(a) **Current Tax:**

The provision for Current Tax for the year is made in accordance with the provisions of the Income Tax Act, 1961.

(b) **Deferred Tax:**

The breakup of the Deferred tax Asset/Liability is as under:

Particulars	As at 31 March, 2021	As at 31 March, 2020
	Rupees	Rupees
Deferred Tax Liability	-	-
Deferred Tax Asset:		
Depreciation	3,014,941	6,489,119
Provision for Doubtful Debts	210,550	210,550
Liabilities allowable on payment basis	1,065,402	1,800,349
Total Deferred Tax Asset	4,290,893	8,500,018
Net Deferred Tax Asset	4,290,893	8,500,018

27 Other Disclosures :

27.1 Corporate Social Responsibility expenditure:

- a) As required by the Companies Act, 2013 and the rules thereunder, amount required to be spent towards Corporate Social Responsibility ('CSR') amounts to Rs. 5,809,426/- (2020: Rs. 5,924,400/-).
- b) Amount spent during the year:

	Particulars	FY. 2021-20	FY. 2018-19
(i)	Construction / acquisition of any asset	-	-
(ii)	On purpose other than (i) above	5,837,334	6,012,000

27.2 Details of loans and advances given covered under section 186(4) of the Act:**Loans and Advances:**

Name of the Party	Opening balance	Addition	Deduction	Closing Balance
Shree Naman Developers Private Limited	1,143,461,230 (Nil)	158,655,245 (1,143,461,230)	-	1302,116,475 (1,143,461,230)
Note: Above loan is given for business purpose.				

27.3 Value of imports on CIF basis:

Particulars	For the year ended 31 March, 2021 Rupees	For the year ended 31 March, 2020 Rupees
Raw Materials	11,188,712	2,387,768
Packing Materials	87,912,939	111,551,895
Stores & Spares	14,430,213	13,323,205

27.4 Details of consumption of imported and indigenous items:

Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
	Rupees	%	Rupees	%
Raw Materials				
Imported	6,783,377	2.51%	4,25,009	0.08%
Indigenous	26,320,9311	97.49%	542,891,395	99.92%
Total	269,992,688	100.00%	543,316,404	100.00%
Packing Materials				
Imported	70,546,711	10.07%	84,748,105	6.31%
Indigenous	63,0179,765	89.93%	1258,460,014	93.69%
Total	700,726,476	100.00%	1,343,208,119	100.00%
Stores and Spares				
Imported	9,046,813	50.56%	11,255,170	36.54%
Indigenous	8,847,680	49.44%	19,546,678	63.46%
Total	17,894,493	100.00%	3,0801,848	100.00%

27.5 Earnings in Foreign Exchange (on accrual basis):

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rupees	Rupees
Export of Goods on F.O.B Value	68,727,101	8,867,736

27.6 Expenditure in Foreign Currency (on accrual basis):

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
	Rupees	Rupees
Repairs to Plant and Machinery	Nil	285,415
Others	785,980	5,694,296

27.7 The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as at 31 March, 2021 are as under:**Amount payable in foreign currency on account of the following:**

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Rupees	US\$	Rupees	US\$
Import of Packing Materials including material in transit	838,558	11,450	65,172,427	867,784

27.8 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSME Act'), to the extent of information available with the Company, determined on the basis of intimation received from suppliers regarding their status are as under:

Particulars		2021-20 Rupees	2019-20 Rupees
A	Principal amount remaining unpaid as at year end	6,881,025	6,726,847
B	Interest due thereon remaining unpaid to any supplier as at year end	-	-
C	Interest paid by the Company in terms of Section 16 during the year.	-	-
D	The amount of interest due and payable for the year	-	-
E	Interest accrued and remaining unpaid as at year end	-	-
F	Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

Notes:

- Delays in payments due to disputes/negotiations with vendor are not considered for the purpose of disclosures above;
 - Interest payable under the MSME Act recoverable from the Principals is not disclosed above.
- 28** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached.

For CNK & Associates LLP
Chartered Accountants

H.V.Kishnadwala
(Partner)
Membership No : 037391

For and on behalf of the Board

Dr. S.D.Israni
Chairman
(DIN : 00125532)

Vincent Vaz
Whole-time Director
and Chief Financial Officer
(DIN : 02067875)

Amit Khemani
Managing Director
(DIN : 00057283)

H.L. Thakkar
Company Secretary
(Mem No: A7898)

Place : Mumbai
Date : 26 July, 2021

Place : Mumbai
Date : 26 July, 2021

Courier

If undelivered, please return to:

BLOSSOM INDUSTRIES LIMITED

Village Jani Vankad,
Nani Daman,
Daman – 396 210 (U.T.)