



**ANHEUSER BUSCH INBEV INDIA LIMITED**  
(Formerly known as SABMiller India Limited)

**ANNUAL REPORT**  
**2020-2021**





**A FUTURE WITH MORE CHEERS**



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## General Information for Annual Report 2020-21

### Board of Directors

Ms. Sapna Taneja, Independent Director  
Ms. Rashmi Sharma, Independent Director  
Mr. Mahesh Mittal, Whole Time Director  
Mr. Kartikeya Sharma, Whole Time Director

### Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd,  
C 101, 247 Park, L.B.S.Marg, Vikhroli (West),  
Mumbai - 400083.  
Phone: +91 22 49186000 (Extn: 2330)  
M: +91 8169936150  
F: +91 22 49186060

### Registered Office

301/302, Dynasty Business Park,  
B Wing, Andheri Kurla Road,  
Andheri (E), Mumbai – 400059

### Corporate Office

6th Floor, Green Heart Building,  
Manyata Tech Park, Nagvara,  
Bengaluru – 560045

### Statutory Auditors

Price Waterhouse & Co Chartered Accountants LLP  
5th Floor, Tower 'D', The Millenia, 1 & 2 Murphy  
Road, Ulsoor, Bengaluru, Karnataka- 560008

### Stakeholders Relationship Committee

Mr. Mahesh Kumar Mittal- Chairman  
Ms. Rashmi Sharma  
Ms. Nishi VijayVargiya

### Audit Committee

Ms. Sapna Taneja-Chairperson  
Ms. Rashmi Sharma  
Mr. Mahesh Kumar Mittal

### Nomination and Remuneration Committee

Ms. Sapna Taneja-Chairperson  
Ms. Rashmi Sharma  
Mr. Mahesh Kumar Mittal

### Corporate Social Responsibility Committee

Ms. Sapna Taneja-Chairperson  
Ms. Rashmi Sharma  
Mr. Mahesh Kumar Mittal

## Notice

### NOTICE FOR THE THIRTY SECOND ANNUAL GENERAL MEETING OF ANHEUSER BUSCH INBEV INDIA LIMITED

Notice is hereby given to all the members of Anheuser Busch Inbev India Limited (“**Company**”) that the **32<sup>nd</sup>** (Thirty Second) Annual General Meeting (“**AGM**”) of the members of the Company will be held on **Monday, September 18, 2023, at 02.00 P.M. (IST)**, through Video Conferencing (“**VC**”)/ Other Audio-Visual Means (“**OAVM**”) to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Mahesh Kumar Mittal (DIN: 09071616), who retires by rotation and being eligible, offers himself for re-appointment

#### **SPECIAL BUSINESS:**

3. **Appointment of Mr. Shantanu Krishna (DIN: 07486453) as a Non-Executive Director of the Company.**

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Shantanu Krishna (DIN: 07486453) who was appointed as an Additional Director on the Board of Directors of the Company with effect from March 15, 2023 and who holds office up to the date of the forthcoming Annual General Meeting under Section 161 of the Companies Act, 2013 (‘the Act’) and Articles of Association of the Company, but who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a shareholder proposing her candidature for the office of Director and whose appointment as a Director has been recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective Meetings held on July 18, 2023, be and is hereby appointed as a Director (Non-Executive) of the Company.”

4. **Approval and ratification of payment of remuneration paid to Mr. Mahesh Kumar Mittal (DIN: 09071616) beyond the limits prescribed under the Companies Act, 2013 and waiver of recovery of the amount of excess remuneration paid for period from April 1, 2021, to March 31, 2022.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company and Sections 197, 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment thereof, for the time being in force), the articles of association of the Company and subject to such approvals as may be required, and any other applicable provisions of the Companies Act, 2013, consent of the members be and is hereby accorded to ratify and confirm waiver of recovery of excess managerial remuneration amounting to INR 2.99 million, paid during FY 2021-22 to Mr. Mahesh Kumar Mittal (DIN: 09071616) during the Financial Year 2021-22.”

“**RESOLVED FURTHER THAT** the any one of the Directors or company secretary of the Company be and is hereby authorized to sign and file all the relevant applications, forms, returns, other documents, etc. with the concerned Registrar of Companies/ Ministry of Corporate Affairs and to do all other acts, deeds, matters and things which are necessary for the purpose of giving effect to the aforesaid resolution.”

5. **Approval and ratification of payment of remuneration paid to Mr. Kartikeya Sharma (DIN: 07728620) beyond the limits prescribed under the Companies Act, 2013 and waiver of recovery of the amount of excess remuneration paid for period from September 4, 2020 to March 31, 2021 and for period from April 1, 2021, to March 31, 2022**

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

“**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company and Sections 197, 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment thereof, for the time being in force), the articles of association of the Company and subject to such approvals as may be required, and any other applicable provisions of the Companies Act, 2013, consent of the members be and is hereby accorded to ratify and confirm waiver of recovery of excess managerial remuneration amounting to INR 4.17 million paid during the period from September 4, 2020 to March 31, 2021 and INR 4.29 million paid during FY 2021-22 to Mr. Kartikeya Sharma, (DIN: 07728620) Whole Time Director of the Company during financial years 2020-21 and 2021-22 respectively.”

## Notice (Contd.)

“**RESOLVED FURTHER THAT** the any one of the Directors or company secretary of the Company be and is hereby authorized to sign and file all the relevant applications, forms, returns, other documents, etc. with the concerned Registrar of Companies/ Ministry of Corporate Affairs and to do all other acts, deeds, matters and things which are necessary for the purpose of giving effect to the aforesaid resolution.”

### 6. **Approval for increase in Borrowing Limits of the Company under Section 180 of the Companies Act, 2013**

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof), and the Articles of Association of the Company, as amended from time to time and such other approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to borrow monies from time to time at its discretion which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not exceed the limit of Rs. 5,000 crores (Rupees Five thousand crore only) outstanding at any point of time, and that the Board be and is hereby authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any one of the Directors or company secretary of the Company, be and is hereby authorised to arrange, settle the terms and conditions on which all such monies are to be borrowed from time to time and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

### 7. **Alteration in the Object Clause of the Memorandum of Association of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Section 13 of Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification or reenactment thereof for the time being in force) of the Companies Act 2013 and subject to the approval of the Registrar of Companies, Maharashtra, or any other authority as may be necessary, the consent of the Members of the Company be and is hereby accorded for alteration of Main Object Clause (Clause III(A)) of Memorandum of Association (“MOA”) of the Company and the following clauses shall be added as 7, 8 and 9 sub-clause respectively of Clause III (A) of the Memorandum of Association of the Company:

7. To engage in the business of opening, operating and partnering restaurants, bars, hotels, pubs.
8. To conduct, sponsor, organize events and experiences.
9. To enter into the business of seed manufacturing and dealing in seeds in any and all manner whatsoever.”

“**RESOLVED FURTHER THAT** the any one of the Directors or company secretary of the Company be and is hereby authorized to sign and file all the relevant applications, forms, returns, other documents, etc. with the concerned Registrar of Companies/ Ministry of Corporate Affairs and to do all other acts, deeds, matters and things which are necessary for the purpose of giving effect to the aforesaid resolution.”

By order of the Board  
**Anheuser Busch Inbev India Limited**

**Mahesh Kumar Mittal**  
**Whole Time Director**  
DIN:09071616

Date: August 24, 2023  
Place: Bengaluru, India

## Notice (Contd.)

### Notes:

1. In view of the massive outbreak of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) permitted companies to conduct the AGM through VC / OAVM, without the physical presence of the members at a common venue, subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“CA 2013”), the 32<sup>nd</sup> (Thirty Second) AGM of the Company is being held through VC / OAVM.
2. The Company has enabled the members to participate at the AGM through VC/ OAVM facility provided by National Securities Depository Limited (NSDL). The instructions for participation by members are given in the subsequent paragraphs. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 (one thousand) members on first-come-first-served basis. This will not include large Shareholders (that is, 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.
3. In addition to the above, the proceedings of the AGM will be web-casted live for all the shareholders. The shareholders can visit <https://www.nsdl.co.in/> and login through existing user id and password to watch the live proceedings of the AGM on Monday, September 18, 2023, at 02.00 noon (IST) onwards.
4. As per the provisions of the MCA Circulars, members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of CA 2013.
5. As per CA 2013, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since, this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice.
6. As this AGM will be held through VC/ OAVM, the route map of the venue of the meeting is not annexed to this notice.
7. In compliance with the MCA Circulars, notice of the AGM along with the Annual Report 2020-21 are being sent only through electronic mode to those members whose email addresses are registered with the RTA/ Depositories. Members may note that this notice and Annual Report 2020-21 will also be available on the website of NSDL (agency for providing e-Voting facility) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. For receiving all communication (including, Annual Report, notice for AGM, e-voting instructions) from the Company electronically:
  - (a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company’s Registrar and Share Transfer Agent (“RTA”), Link Intime India Private Limited having its office at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra with details of folio number, name of shareholder, attaching a scanned copy of share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of AADHAR card) at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
  - (b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository through their Depository Participant(s).
9. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.
10. All queries relating to non-receipt of share certificates after transfer/ transmission/ dematerialization/ re-materialization, mandates, change of address, nomination etc. may be sent to the Company’s RTA, Link Intime India Private Limited having its office at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra at their e-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

## Notice (Contd.)

11. Members who are holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to the Company's RTA, Link Intime India Private Limited having its office at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra at their e-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
12. Members who are holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or its RTA the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the share transfer form SH-4 for this purpose.
13. In accordance with Rule 9A of the Companies (Prospectus of Securities) Rules, 2014, effective from October 02, 2018, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.
14. Voting through electronic means:
  - I. In compliance with the provisions of Section 108 of CA 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of the MCA Circulars, the Company is pleased to provide the facility to members to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means – both through remote e-voting and e-voting during the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (that is, remote e-voting) will be provided by NSDL. Such remote e-voting facility is in addition to e-voting that will take place at the AGM being held through VC/ OAVM.
  - II. Members joining the AGM through VC/ OAVM, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM.
- III. Members who have already cast their votes by remote e-voting prior to the AGM may also join the AGM through VC/ OAVM but shall not be entitled to cast their vote again at the AGM.
- IV. The remote e-voting period commences on Friday, September 15, 2023 at 9:00 a.m. (IST) and ends on Sunday, September 17, at 5:00 p.m. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 11, 2023 may cast their votes electronically as per the process detailed in this notice. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution(s) is cast by the member, the member shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
- V. The process and manner for remote e-voting is as under:
  - A. 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 of Step 1 are mentioned below:

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

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.

    - (i) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
    - (ii) 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.)*



## Notice (Contd.)

(iii) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
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 101456 then user ID is 101456001***.

(iv) 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 ask 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 digits 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

(v) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

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](http://www.evoting.nsdl.com)

[Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

- a) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (vi) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (vii) Now, you will have to click on "Login" button.
- (viii) After you click on the "Login" button, Home page of e-Voting will open.  
Details on Step 2 are given below:  
**How to cast your vote electronically on NSDL e-Voting system?**
  - (i) 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.
  - (ii) After clicking 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.
  - (iii) Select "EVEN" of Anheuser Busch InBev India Limited.
  - (iv) Now you are ready for e-Voting as the Voting page opens.
  - (v) 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.
  - (vi) Upon confirmation, the message "Vote cast successfully" will be displayed.

## Notice (Contd.)

- (vii) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (viii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- B. 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:
- (i) 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 [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- (ii) 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 [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- VI. In case of any query and/ or grievance, in respect of voting by electronic means, Members may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to Mr. Anubhav Saxena, Assistant Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for any further clarifications.
- VII. 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](http://www.evoting.nsdl.com) to reset the password.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The instructions for members for e-voting on the day of the AGM are as under:
- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) 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 in the AGM.
- (iii) 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.
- (iv) 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.
- X. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date that is Monday, September 11, 2023.
- XI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of AGM and holding shares as of the cut-off date that is Monday, September 11, 2023. or has registered his/her/its e-mail address after dispatch of the notice of AGM, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contacting the RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the toll-free no.: 1800-222-990.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.

## Notice (Contd.)

XIII. The Company has appointed Ms. Sarvari Shah (FCS 9697) and failing her Mr. Mitesh Dhabliwala (FCS 8311) of Parikh & Associates, Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.

XIV. The Scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting will be announced by the Chairman or any Director of the Company duly authorized, on or before Thursday, September 21, 2023 and will also be displayed on the website of the NSDL (<https://www.nsdl.co.in>), besides being communicated to the Depositories and RTA.

15. All documents referred to in the accompanying notice and the explanatory statement, including Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Companies Act 2013 shall be available for inspection electronically through a link present in NSDL e-services portal.
16. Corporate/ Institutional members (that is, other than individuals, HUF, NRI etc.) are requested to send a legible scanned certified true copy (in PDF/JPG format) of the Board Resolution/ Power of Attorney / Authority Letter, etc., authorizing their representative to attend the AGM through VC/ OAVM and vote on their behalf together with attested specimen signature(s) of the duly authorized representative(s) to the Scrutinizer at [cs@parikhassociates.com](mailto:cs@parikhassociates.com) with a copy marked to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional investors are encouraged to attend and vote at the meeting through VC/ OAVM.
17. In case of any queries regarding the Annual Report, the Members may write to [kartikeya.rawal@in.ab-inbev.com](mailto:kartikeya.rawal@in.ab-inbev.com) to receive an email response.
18. An explanatory statement pursuant to Section 102 (1) of Companies Act 2013, relating to the special businesses to be transacted at the AGM are annexed hereto and forms part of this notice.

### Instructions for attending AGM through VC/ OAVM:

1. Members may access the platform to attend the AGM through VC/ OAVM at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) by using their remote e-voting credentials.

2. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.
3. Members are encouraged to join the AGM using Google Chrome, Safari, Microsoft Edge or Mozilla Firefox 22.
4. Members will be required to grant access to the web-cam to enable two-way video conferencing.
5. Members 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. Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC/ OAVM in a smooth manner.
6. Members who may want to express their views or ask questions at the AGM may do so through the Live chat facility that will be provided during the entire duration of the AGM, by mentioning their name, demat account number/folio number, email ID and mobile number. The Members may also write to [kartikeya.rawal@in.ab-inbev.com](mailto:kartikeya.rawal@in.ab-inbev.com) in case of any queries regarding the Annual Report, including businesses to be transacted at the AGM and the answers will be announced by the Chairman during the AGM.
7. Members who may require any technical assistance or support before or during the AGM are requested to contact NSDL at toll free no.: 1800-222-990 or write to them at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### Explanatory statement under Section 102 of the Companies Act, 2013

#### Item No. 3

Mr. Shantanu Krishna is a law graduate and a advocate enrolled with the state Bar Council of Uttar Pradesh. He has more than 16 years of experience and expertise in the legal and dispute resolution. The Board of Directors of the Company at its meeting held on March 15, 2023, appointed Mr. Shantanu Krishna (DIN: 07486453) as an additional director of the Company with effect from March 15, 2023, to hold office as Director till the date of the Annual General Meeting pursuant to Section 161 of the Act.

In terms of Section 160 of Companies Act 2013, the Nomination and Remuneration Committee and the

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## Notice (Contd.)

Board of Directors have recommended the appointment of Mr. Shantanu Krishna (DIN: 07486453) as a Non-Executive Director pursuant to the provisions of Section 152 of Companies Act 2013. The Company has also received a notice in writing from a member proposing the candidature of Mr. Shantanu Krishna (DIN: 07486453) to be appointed as Director of the Company. The Company has received his consent to act as a Director in terms of Section 152 of Companies Act 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of Companies Act, 2013.

Considering his knowledge and experience in the legal field and as a strong votary of the highest standards of corporate governance, the Board of Directors is of the

opinion that it would be in the interest of the Company to appoint him as a Non-Executive Director.

Additional information in respect of Mr. Shantanu Krishna, pursuant to the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

Except Mr. Shantanu Krishna, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 3.

The Board of Directors recommends the resolution as set out in Item No. 3 for approval of the members by way of an **Ordinary Resolution**.

## Notice (Contd.)

### ANNEXURE A

#### Details of Directors seeking appointment/ re-appointment at the AGM

Name of the Director	Shantanu Krishna	Mahesh Kumar Mittal
Directors Identification Number (DIN)	07486453	09071616
Date of Birth	28.07.1984	16.07.1970
Age	39 Years	50 Years
Date of Appointment	15th March, 2023	25th February, 2021
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None
Expertise in specific functional area	Legal and Dispute Resolution	Product Sourcing and Supply Chain Logistics
Qualification(s)	LLB (Hons.)	BE (Mechanical), BEE (Certified energy auditor)
Number of equity shares held in the Company as at March 31, 2021	NIL	NIL
Other Directorships, Membership/ Chairmanship of Committees of other public limited companies, if any, as on March 31, 2021	NIL	NIL
Justification for choosing the appointee(s) for appointment/re-appointment as Director	His knowledge and experience in the legal sector and his dedication towards corporate governance makes him an appropriate candidate for appointing as Director.	His knowledge, experience and association with the Company has been immensely beneficial to the Company and his dedication towards corporate governance makes him an appropriate candidate for re-appointment as Director.
Terms and conditions of appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Mr. Shantanu Krishna is being appointed as a Non-Executive Director and will not be entitled to draw any remuneration from the Company. However, he will be entitled to sitting fees for attending the Meetings of the Board, its Committee of which he is a member and General Meetings, as may be decided by the Board from time to time.	There shall be no change in the terms and conditions of his appointment or the remuneration payable. The details of remuneration last drawn by him as is as under: FY 2022-23: INR 17.74 million
Number of Meetings of the Board attended during the year	During FY 2022-23, two Meetings of the Board has been convened on 20th April, 2023 and 18th July, 2023. He attended the Meeting held on 18th July 2023.	During FY 2021-22 and FY 2022-23, Five Board Meetings were held in each Financial Year and he attended all the Board Meeting that were convened.

## Notice (Contd.)

### Items 4 & 5

The members may be informed, owing to the continued situation of the COVID-19 outbreak during FY 2020-21, the Company had inadequate profits. Owing to the above factors, the financial performance of the Company in the financial year ended 31<sup>st</sup> March 2021 did not meet expectations and it is possible that the Company may also have inadequate profits in coming years.

As a result of the above, the remuneration paid to Mr. Mahesh Kumar Mittal for Financial Year 2021-22 and to Mr. Kartikeya Sharma for the financial years 2020-21 and 2021-22 may have exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto. Pursuant to Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution.

Considering the contribution of these managerial personnel to the Company, it is apt and justifiable to waive off the excess remuneration paid due to inadequate profits.

The Board, on the recommendation of the Nomination and Remuneration Committee at their respective meetings, have ratified excess remuneration paid to:

- i. Mr. Mahesh Kumar Mittal, Wholetime Director
- ii. Mr. Kartikeya Sharma, Wholetime Director

The details regarding prescribed limits and remuneration paid is as under:

Name	Effective Capital as of 31st March 2021 (In INR Million)	Prescribed Limit under Schedule V of Companies Act, 2013 (INR Million)	Amount of Remuneration paid during 04.09.2020 to 31.03.2021 on pro-rata basis (INR Million)	Excess amount Paid during 04.09.2020 to 31.03.2021 on pro-rata basis (INR million)
Mr. Kartikeya Sharma	6,165.78	12.37	16.54	4.17

Name	Effective Capital as on March 31, 2022 (INR million)*	Prescribed Limit under Schedule V of Companies Act, 2013 (INR million)	Amount of Remuneration paid (INR million)	Excess amount Paid (INR million)
Mr. Mahesh Kumar Mittal	8,973.96	12.65	15.64	2.99
Mr. Kartikeya Sharma	8,973.96	12.65	16.94	4.29

\*Effective Capital is as per un-audited Financial Statements.

Approval of the members of the Company by way of special resolution is required to consider, approve, and ratify payment of remuneration beyond prescribed limits and waive recovery of the amount of excess remuneration paid to Mr. Mahesh Kumar Mittal and Mr. Kartikeya Sharma.

The statement of disclosures under Section 197 of Companies Act, 2013 read along with the rules framed thereunder and Schedule V is provided below:

GENERAL INFORMATION		
1.	Nature of Industry	Manufacture and Sale of Beer
2.	Date or expected date of commencement of commercial production	The Company was incorporated on November 18, 1988.
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.

## Notice (Contd.)

GENERAL INFORMATION					
4.	Financial performance based on given indicators	<b>Particulars</b>	<b>Standalone (Rs. In Million) 2020-21 (Audited)</b>		
		Total income	28,520		
		Total operating expenses	32,429		
		Earnings before interest, tax, depreciation and amortization (EBITDA)	(3,909)		
		Less: Depreciation and Amortization Expenses and Finance expenses	3,144		
		Loss before taxation	(7,053)		
		Tax expense:			
		(a) Current tax	NIL		
		(b) Pertaining to earlier years	NIL		
		(c) Deferred Tax	NIL		
		Loss for the year	(7,053)		
5.	Foreign investments or collaborations, if any.	The table below provides details of foreign investment in the Company (as on date):			
		<b>Name of the foreign investor</b>	<b>Nature of investment</b>	<b>No. of Shares held</b>	<b>% of shares held</b>
		AB Inbev Asia B.V.	Equity shares	777,338,105	83.73
		Anheuser-Busch InBev Breweries Private Limited	Equity shares	14,20,76,253	15.30
		SABMiller India Holdings	Equity shares	55,90,817	0.60
		Austindia Pty Limited	Equity shares	16,51,174	0.18
INFORMATION ABOUT THE APPOINTEE					
6.	Background details	Mr. Mahesh Kumar Mittal has diverse management and operations experience within Plant operations, Safety, Environment, Quality, Facility Engineering, projects and Maintenance disciplines, & lean methodology implementation. He heads the Supply function for AB InBev in India & South East Asia, and he has been with the company for over 15 years.	Mr. Kartikeya Sharma has long association of over 15 years with the Company. He has a deep understanding of the consumer coupled with the dynamics of the industry and commercial acumen.		
		7.	Past remuneration	FY 2021-22: INR 15.64 million	From 04.09.2020 to 31.03.2021 : INR 16.54 million FY 2021-22: 16.94 million

## Notice (Contd.)

GENERAL INFORMATION			
8.	Recognition or awards	NIL	NIL
9.	Job profile and his suitability	Mr. Mahesh Kumar Mittal as Whole Time Director is responsible to deliver the business objectives of the company as set by the Board of Directors. He has the relevant industry experience and has already held various leadership positions previously in the Company.	Mr. Kartikeya Sharma as Whole Time Director will be responsible to deliver the business objectives of the Company. He has the relevant industry experience and has already played a key role in the various leadership positions held by him previously in the Company.
10.	Remuneration paid	FY 2021-22: INR 15.64 million	From 04.09.2020 to 31.03.2021 : INR 16.54 million FY 2021-22: 16.94 million
11.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration drawn by Whole Time Director is comparable with the remuneration drawn by Whole Time Director of similarly sized companies in the Beer industry. The compensation is determined in accordance with the Remuneration Policy of the Company and basis the remuneration for persons of his qualification, experience and the responsibility assigned.	
12.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None of the Directors have any pecuniary relationship directly or indirectly either with the company or with any managerial personnel, except to the extent of their remuneration.	
OTHER INFORMATION			
13.	Reasons of loss or inadequate profits	Business disruptions due to COVID outbreak	
14.	Steps taken or proposed to be taken for improvement	The Management has commenced work on and intends to commence various initiatives for future revenue growth from new strategic key units (brands) focused on premiumization, revisions in volume, positive outcome on duty reductions through moderation agenda etc., and anticipates that over a period, these initiatives would result in improved sales and margins, supported by the cost reduction measures	
15.	Expected increase in productivity and profits in measurable terms	The Company does not give futuristic financial guidance.	

The Board of Directors accordingly recommends the resolution set out at Item nos. 4 & 5 in accompanying notice for the approval of the members of the Company by way of a **Special Resolution**.

Except the Directors named above in the respective item Nos. 4 & 5, or his relatives, none of the Directors and Key Managerial Personnel or their relatives are concerned or interested financially or otherwise, in the resolutions set out at Item Nos. 4 & 5.



## Notice (Contd.)

### **Item No. 6**

As per the provisions of the Companies Act, 2013, a company can borrow in excess of its paid up capital and free reserves only up to the limits consented by the shareholders at the general meeting.

The existing limits sanctioned by the shareholders is INR 2,500 cores over and above the paid-up share capital and free reserves of the Company. In order to cater to the future business requirements, the Board at its meeting held on July 18th, 2023, approved increase in the borrowing limits from Rs. 2,500 Crore to Rs. 5,000 Crore under Section 180(1) (c) of the Companies Act, 2013 subject to shareholders approval.

The Board of Directors accordingly recommends the resolution set out at Item no. 6 in accompanying notice for the approval of the members of the Company by way of a **Special Resolution**.

None of the Directors and Key Managerial Personnel or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 6.

### **Item No. 7**

The Company is considering to enter into new businesses of opening, operating and partnering with restaurants, bars, hotels, pubs, conducting, sponsoring, organizing events and experiences and manufacturing of/dealing in seeds for better growth and expansion prospects of the Company. The Board of Directors of the Company and the Company Management strongly believes that there is a potential growth and expansion opportunity for the Company through these new business activities and it would be beneficial for growth and profitability of the Company.

In order to be able to allow the Company to enter into and commence the proposed new business activities, it is proposed before the Shareholders to allow the Company to alter the object clause in the Memorandum of Association and pass the resolution set out in Item No. 7 of this notice.

The draft of the amended clause of Memorandum of Association will be available for inspection during the AGM in electronic form.

The Directors recommend the said resolution proposed vide Item No. 7 to be passed as Special Resolution by the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

By order of the Board  
**Anheuser Busch Inbev India Limited**

**Mahesh Kumar Mittal**  
**Whole Time Director**  
DIN:09071616

Date: August 24, 2023  
Place: Bengaluru, India

## Report of Board of Directors

### Director's report for the year ended 31 March 2021

Dear Members,

Your directors have pleasure in presenting their 32nd Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March 2021.

#### Financial Highlights

During the year under review, performance of your company as under:

Particulars	Financial Year 2020-21	Financial Year 2019-20
Revenue from operations	28,453	33,545
Profit/(Loss) before taxation	(7,053)	(6,828)
Provision for taxation	-	55
Other comprehensive income	45	(95)
Total comprehensive income (Loss) for the year	(7,008)	(6,868)

#### State of Company's Affairs and Future Outlook

Due to lockdowns and market slow-down related to Covid, revenue reduced by 15% vs previous year. However, our long-term view of industry growth and market share growth remains unchanged. We are committed to profitable volume growth, which is targeted through premiumization and prioritization of the right markets, coupled with tighter cost control strategies.

#### Change in nature of business, if any and Events subsequent to closure of Financial Year

There has not been any change in business during the financial year in review, however after the closure of the financial year and up to the date of signing the financial statements, the Company vide its Extraordinary General Meeting held on February 18, 2022, had diversified its line of business to also include and deal with non-alcoholic beverages. Further, at the same meeting, the Company also availed approvals to carry on the business as seed producer and dealer, which shall include importing, exporting, processing, storing, transporting, growing, marketing and dealing in seeds of all kinds and its by-products.

#### Dividend

However, with the view to conserving the resources of company the directors are not recommending any dividend.

#### Changes in Share Capital

As on March 31, 2021, the Company has only One Class of Share, that is, Equity Shares having Face Value of Rs. 10 each.

Particulars	Amount (in Rs.)	No. of Equity Shares
Authorized Share Capital	15,000,000,000	1,500,000,000
Issued Share Capital	6,165,778,780	616,577,878
Paid-up Share Capital	6,165,778,780	616,577,878

There have been no events or transactions that have altered the authorized or issued capital during the year.

#### Extract of Annual Return

The Annual Report for FY 2020-21 will be placed at the website of the Company.

#### Number of Board Meetings

During the Financial Year 2020-21, there were five meetings of the Board of Directors of the company which were held. The details of which are given below –

- July 29, 2020 (Meeting I)
- July 29, 2020 (Meeting II)
- September 04, 2020
- November 20, 2020
- February 25, 2021

#### Particulars of Loan, Guarantees and Investments under Section 186

The details of inter-corporate loans under Section 186 are given in Note 34 of the Audited Financial Statements for FY 2020-21.

## Report of Board of Directors (Contd.)

### Particulars of Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2020-21 in the prescribed format, AOC 2 has been enclosed with the report.

### Explanation to Auditor's Remarks

Explanation or comment by the Board on every qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report and/or by the secretarial auditor in the Secretarial Audit Report.

As required under section 134 of the Companies Act, 2013, the explanation of the Board, to the qualification made by the auditors in the Auditors' Report are as follows:

S. No.	Qualification	Board's Explanation
1.	Note 46(a) to the financial statements regarding non-compliance with Sections 92, 96, 129 and 137 of the Act as the financial statements for the years ended March 31, 2018, March 31, 2019, March 31, 2020 and March 31, 2021 were not laid before the shareholders in the Annual General Meeting held beyond the timelines prescribed under the Act, and consequentially there was a delay in filing annual returns and financial statements with the authorities.	As a result of the COVID-19 outbreak, the Company experienced major changes and commitments, which resulted in delays in conducting the statutory audit for the year and subsequent holding of meetings of board, shareholders, financial statement adoptions and filing of Annual Returns & Annual Audited Financial Statements with MCA within the stipulated time as per the Companies Act 2013.  However, in this regard the Management of the Company is in the process of making necessary application of compounding / adjudication to regularize the offences of non-conducting Annual General Meeting ("AGM") and non-filing of Annual Returns & Annual Audited Financial Statements of the Company for the financial years ended March 31, 2018, March 31 2019, March 31 2020 within the stipulated time.
2.	Note 46(b) to the financial statements regarding the non-compliance with certain secretarial standards, resulting in non-compliance with section 118 of the Act.	The Management had duly complied with the Secretarial Standards issued by the Institute of Company Secretaries of India. However, we don't have documentary evidence regarding the same.
3.	Note 47 to the financial statements regarding non-compliance with the provisions of RBI Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) in respect of overdue foreign currency payables as at March 31, 2021, aggregating to INR 130 million due for more than three years from the date of import and INR 43 million due for more than six months but less than three years, to the non-resident parties. The Company has filed an application to the Reserve Bank of India (RBI) through Authorised dealer bank (AD) seeking approval to write back an amount of INR 120 million payable to group companies which are outstanding for a period exceeding three years and is yet to approach the Authorised Dealer or the RBI in respect of the balance amounts.	All the necessary filing are done with Reserve Bank of India (RBI) through Authorised dealer bank (AD) seeking approval to write back an amount of INR 120 million payable to group companies which are outstanding for a period exceeding three years. Management is expecting RBI to approve this and close this matter.
4.	Note 37 to the financial statements regarding non-availability of complete information for identification of the suppliers which are covered under the provisions of the Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act"). In the absence of adequate	The Company is in process of implementing a process to take periodic confirmation from all the vendors relating to their status as MSME and update in system to ensure compliance.

## Report of Board of Directors (Contd.)

	evidence, we are unable to conclude on the appropriateness of the Company's identification process and the completeness and accuracy of the interest recognised as payable to such parties under Section 16 of the MSMED Act.	
5.	Note 6A(i) to the financial statements regarding loan amounting to INR 145 million granted to a related party during the financial year ended March 31, 2020, which has been ascertained to be not recoverable by the Company considering the inability of the related party to repay the loan, and the Company has recognised a provision against the same during the year ended March 31, 2021. In our opinion, the granting of loan in the preceding year as well as the recognition of provision for doubtful loan in the current year are prejudicial to the interests of the Company and its members.	This is a one-time unsecured loan provided to related party and company has stopped granting such loans/ incurring other expenses.
6.	Note 46(c) to the financial statements regarding non-compliance with Section 149 of the Act regarding appointment of Independent Directors and Composition of the Board of Directors, Sections 135, 177 and 178 of the Act read with Section 172 of the Act and Schedule IV of the Act regarding composition of Corporate Social Responsibility Committee, Audit Committee and Nomination and Remuneration Committee of the Board, respectively, and Section 152 of the Act regarding retirement of directors by rotation at every annual general meeting, and the subsequent action taken by the company for regularisation of the non-compliances.	<p>The Company is in non-compliance with the provisions of Section 149 of the Companies Act 2013 by appointing Mr. Arun Monappa as its Independent Director for the third term and consequently, with the provisions of Section 135, 177, 178 and other related section of the Companies Act, 2013.</p> <p>During the year 2019-20, the Company has regularized the offence by appointing Ms. Rashmi Sharma as an Independent Director on July 29, 2020, in place of Mr. Arun Monappa. The resignation of Mr. Arun Monappa was accepted from the position of Independent Director on the same date.</p> <p>Further, the Company had duly Complied with the provision of the Section 177 and 178 of the Act and rules made thereunder and other related provisions and Compliant with the composition rules as on date.</p> <p>However, the Company has filed Compounding application under section 441 of the Companies Act, 2023 as remedial action for aforesaid non-compliance.</p>
7.	Note 46(d) regarding the constitution of the Nomination and Remuneration Committee of the Board with less than three non-executive directors which was not in compliance with the requirements of Section 178 of the Act read with Section 161 and Rule 6 of the Companies (Meetings of Board and its powers) Rules, 2014 and the subsequent action taken by the company for regularisation of the non-compliances.	<p>The Company is in non-compliance with the provisions of Section 178 of the Companies Act 2013 constitution of the Nomination and Remuneration Committee of the Board with less than three non-executive directors</p> <p>During the year 2021-22, the Company has regularized the offence by appointing Mr. Aditya Kumar Jalan as Non-Executive Director on 31<sup>st</sup> Jan 2022 and duly constituted the Nomination and Remuneration Committee on 31<sup>st</sup> Jan 2022.</p> <p>Further, the Company had duly Complied with the provision of the Section 178 of the Act and rules made thereunder and other related provisions and Compliant with the composition rules as on date.</p> <p>However, the Company has filed Compounding application under section 441 of the Companies Act, 2023 as remedial action for aforesaid non-compliance.</p>

## Report of Board of Directors (Contd.)

8.	Note 46(e) to the financial statements regarding non-compliances under provisions of the Section 196 read with Schedule V of the Act relating to the appointment of a non-resident as the Whole-time director during the period from November 27, 2017 to September 4, 2020 without obtaining prior approval from the Central Government.	The Company has filed Compounding application under section 441 of the Companies Act, 2023 as remedial action for aforesaid non-compliance.
9.	Except for the differences in the gross block and accumulated depreciation of INR 542 million between the gross block and the accumulated depreciation/ amortisation as per the Fixed Asset Register compared to the gross block and the accumulated depreciation/ amortisation as per Note 4A and 4D to the financial statements, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment. Also, refer Note 4A(vii) to the financial statements.	The Company has taken a note of this and will try to provide a reconciliation for the differences noted.
10.	The property, plant and equipment of the Company have not been physically verified by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any have been properly dealt with in the books of account. Also refer Note 4A(iii) to the financial statements	The Company has initiated the process of conducting the physical verification and valuation of all the plants owned by the Company. The same is expected to be closed by mid of Aug'23.
11.	The title deeds of immovable properties, as disclosed in Note 4A (Property, plant and equipment) and 4B (Right-of-use assets) to the financial statements are held in the name of the companies which were amalgamated into the Company through various schemes approved by the courts in earlier years, however, for certain parcels of freehold land and leasehold land, the title deeds are currently not in the possession of the Company. Also, refer Note 4A(iv) to the financial statements.	The Company is in process of transferring title of all the immovable property to its own name. Further, company is following up with respective land revenue authorities to take the possession title deeds. Legal opinion is sought for the same wherever required.
12.	<p>The Auditors has reported the Disclaimer of Opinion, as the Auditors were unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls with reference to financial statements and whether such internal financial controls 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 issued by the ICAI.</p> <p>The Auditors has reported disclaimer in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2021, and the disclaimer does not affect our opinion on the financial statements of the Company.</p>	<p>The Board takes note of the weakness/ gaps identified by the auditors resulting in non-adherence to the criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.</p> <p>The Company is in the process of improving procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies and the safeguarding of its assets, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures in accordance with the recommendation received from the statutory auditors during the course of the audit.</p>
13.	Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for transfer of shares in dematerialized form.	The management has taken note of the same and all the subsequent transfers have been made by duly complying the Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for transfer of shares in dematerialized form.

## Report of Board of Directors (Contd.)

### Material Changes Affecting the Financial Position of the Company

There are no material changes, affecting the Financial Position of the Company.

### Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

#### a) Conservation of Energy:

(i) the steps taken or impact on conservation of energy;	<ol style="list-style-type: none"> <li>1. Developed 3R program (Responsibility, Resource, Reward) to encourage shop floor personals to involve in process and provide ideas to conserve energy in day to day operations</li> <li>2. Implemented various energy improvement initiatives, like Condensate recovery Improvement in Steam Systems, Vapor Heat recovery systems &amp; Optimized Boiling technologies to reduce Energy consumption in Brewing, Base load reduction, Dynamic load management with Variable Speed Drives on refrigeration &amp; Air Compressors and Bio gas usage in Boiler are done on a continuous basis.</li> <li>3. Effective usage of Upgraded benchmarking tools like SWEEP (Site Water Energy Efficiency Planner) and Energy &amp; Fluid modulation toolkit to identify the gaps and opportunities in Energy consumption globally and optimise the process across by embracing the best practice and shared learning from the breweries across the globe.</li> <li>4. Assessment of Natural Resource block having importance task list to focus on strategy of zero waste under environment pillar of VPO (Voyager Plant Optimisation) continuous improvement system</li> <li>5. Focussing on 1YP (1 year plan) CapEx projects for Energy &amp; Fluids consumptions reduction.</li> <li>6. Implemented new Initiatives like Energy Efficient Motors, Advanced Cooling tower fan, Variable speed drives &amp; automations at sites to reduce the overall Energy consumptions.</li> </ol>
(ii) the steps taken by the company for utilising alternate sources of energy;	SPR brewery (Mysore), PALS brewery (Aurangabad) & Crown brewery (Telangana) is using partial generated electricity respectively from renewable sources Offsite or onsite solar. Power purchase Agreements signed for onsite solar project implementations at HBL brewery (Haryana), CBL brewery (Telangana).
(iii) the capital investment on energy conservation equipments;	NA

#### b) Technology Absorption:

(i) Efforts made for technology absorption	NA
(ii) Benefits derived	NA
(iii) Expenditure on Research & Development, if any	NA
(iv) Details of technology imported, if any	NA
(v) Year of import	NA
(vi) Whether imported technology fully absorbed	NA
(vii) Areas where absorption of imported technology has not taken place, if any	NA

## Report of Board of Directors (Contd.)

### c) Foreign Exchange Earnings/Outgo:

(i) Earnings	USD 82,10,601.26	
(ii) Outgo	<b>Name of the Currency</b>	<b>Amount</b>
	AUD	55990.8
	CNH	2874535.25
	CNY	10943409.56
	EUR	3362702.36
	KRW	1556265186
	USD	24661187
	ZAR	2642466.37

### Details of Subsidiary, Joint Venture or Associates

The Company does not have subsidiaries, Joint Ventures or Associates.

### Risk Management Policy

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, evaluate controls and to monitor these risks. Risk management policies and work plan are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's Board of Directors monitors defines the structure of the Company's risk management team, its operating budget and the annual scheduling of audits. The Board of Directors is assisted in its oversight role by internal audit (now known as the Global Risk Management ("GRM") team). GRM undertakes both regular and ad-hoc reviews of controls and procedures, the results of which are reported to the Board of Directors.

### Details of Directors and Key Managerial Personnel

The Board of Directors constituted of the below personnel as on March 31, 2021 –

DIN	Full Name	Designation	Date of Appointment
07032173	Sapna Taneja	Independent Director	14/11/2017
09071616	Mahesh Kumar Mittal	Whole Time Director	25/02/2021
07728620	Kartikeya Sharma	Whole Time Director	04/09/2020
08746775	Rashmi Sharma	Independent Director	29/07/2020

As on date, the Board of Directors constituted of the below personnel -

DIN	Full Name	Designation	Date of Appointment
07032173	Sapna Taneja	Independent Director	14/11/2017
09071616	Mahesh Kumar Mittal	Whole Time Director	25/02/2021
07728620	Kartikeya Sharma	Whole time Director	04/09/2020
08746775	Rashmi Sharma	Independent Director	29/07/2020
07486453	Shantanu Krishna	Non-Executive Director	15/03/2023

During the year, Mr. Arun Monappa, Director had resigned from the Company with effect from the closing hours of July 29, 2020 and Mr. Ben Magda J Verhaert resigned with effect from September 04, 2020. Further, Mr. Gagandeep Singh Sethi had also resigned with effect from February 28, 2021.

## Report of Board of Directors (Contd.)

Further, during the year, Ms. Rashmi Sharma was appointed as an Independent Director for a period of five years with effect from July 29, 2020. Mr. Kartikeya Sharma was appointed as the Whole Time Director on the Board of Directors of the Company from September 04, 2020 and Mr. Gagandeep Singh Sethi was reappointed as Whole Time Director for a second term of five years with effect from September 21, 2020 in the Annual General Meeting held on September 30, 2020. Ms. Sapna Taneja was re-appointed as an Independent Director for a second consecutive term of five years with effect from November 27, 2020, in the Annual General Meeting held on September 30, 2020. Mr. Mahesh Kumar Mittal was appointed as Additional Director with effect from February 25, 2021, and as a Whole Time Director with effect from March 1, 2021.

The Company thanks the Directors for their contribution, during their tenure at the Company. In order to stay compliant with the composition rules, the Board had appointed Mr. Aditya Jalan as the Additional Director (Non-Executive) with effect from January 31, 2022 and subsequently, at the Annual General Meeting held on April 27, 2022, his appointment was regularised to Non-Executive Director.

However, Mr. Aditya Jalan had stepped down as the Director of the Company on December 30, 2023. In order to stay compliant with the composition rules, the Board had appointed Mr. Shantanu Krishna as the Additional Director (Non-Executive) with effect from March 15, 2023 and his appointment will be regularised in the forthcoming Annual General Meeting of the Company.

With respect to the Key Managerial Personnel, Mr. Cherian Kurien stepped down from the position of Chief Financial Officer and Ms. Meeta Agarwal was appointed as the Chief Financial Officer with effect from February 25, 2021. Ms. Nishi Vijayvargiya resigned from the position of Company Secretary on August 28, 2021 and the Company had appointed Ms. Aishwarya Satish as the Company Secretary, with effect from February 14, 2022. Ms. Meeta Agarwal had stepped down as the Chief Financial Officer with effect from January 31, 2022 and Ms. Aastha Sharma was appointed as the Chief Financial Officer of the Company with effect from January 31, 2022.

Further, during the year, Ms. Aishwarya Satish resigned from the position of Company Secretary on September 30, 2022, and the Company had appointed Ms. Mansi Bajaj as the Company Secretary with effect from March 29, 2023.

Mr. Mahesh Kumar Mittal retires by rotation and, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company.

### **Details of significant & material orders passed by the regulators or courts or tribunal**

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **Voluntary Revision of Financial Statements or Board's Report**

The Company has not undertaken any voluntary revisions of its Financial Statements or Board's report. Hence, this Section is not applicable to the Company for this Financial Year.

### **Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements**

The Company is in the process of improving procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies and the safeguarding of its assets, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures in accordance with the recommendation received from the statutory auditors during the course of the audit.

### **Deposits**

During the year, the Company has not accepted any public deposits as defined in the Companies (Acceptance of Deposits) Rules, 2014.

### **Declaration by Independent Director**

Declaration given by Independent Directors, meeting the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is received and taken on record.

### **Statutory Auditors**

M/s. Price Waterhouse & Co Chartered Accountants LLP (Firm registration no. 304026E/E-300009) was appointed as Statutory Auditors of the Company at the Annual General Meeting held on September 30, 2020 for a period of five years i.e., to hold office till the conclusion of 35th Annual General Meeting i.e. up to the financial year ending March 31, 2024.

### **Secretarial Audit Report**

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, the Secretarial Audit Report of M/s. Parikh & Associates, Practising Company Secretary is annexed to this report.

The Secretarial Audit Report contains few qualifications



## Report of Board of Directors (Contd.)

and reservations on the report regarding appointment of independent directors, composition of the board and committees, remuneration of the directors and convening of Annual General Meetings and the response of the Management on those qualifications, as statutorily required to be disclosed for each qualification in the report of Board of Directors, have also been covered in the preceding paragraphs and are not being repeated here to prevent repetition. The Company has rectified the non-compliances relating to appointment of board and has further has filed for the Compounding application under section 441 of the Companies Act, 2013 for remediating few compoundable contraventions.

### Corporate Social Responsibility

The Company has not made any profits during the last several years including last three financial years and as such spending of 2% of profits of the Company does not arise. However, as a good corporate citizen, the Company is carrying out CSR activities *suo-moto* in some of the areas. The Company has formed the Corporate Social Responsibility Committee consisting of the following members:

Name	Designation
Mr. Mahesh Kumar Mittal	Whole Time Director (Chairman)
Ms. Rashmi Sharma	Independent Director
Ms. Sapna Taneja	Independent Director

### Audit Committee

The present composition of the Audit Committee is as below:

Name	Designation
Ms. Sapna Taneja	Independent Director (Chairperson)
Ms. Rashmi Sharma	Independent Director
Mr. Mahesh Kumar Mittal	Whole Time Director

### Statement Indicating the Manner in which Formal Annual Evaluation has been made by the Board of its own Performance, its directors, and that of its committees

The Board evaluated its performance and that of the Committees and of individual directors by seeking their inputs on various aspects of functioning of the Board, the Committees and the individual directors.

Various attributes were taken into consideration in the evaluation including Board composition and quality, Board strategy and risk management, Board and Management relations, Directors obligation on participation at the Board meetings, knowledge and skill, personal attributes and implementation of corporate governance practices.

The inputs shared by the Directors were considered and discussed at the meeting of the Board, meeting of Directors other than Independent Directors and Nomination and Remuneration Committee. Further, the Independent Directors held a separate meeting in which they reviewed the performance of Board and of Non-Executive Directors.

### Nomination & Remuneration Committee Policy

The Nomination and Remuneration Committee is constituted to act in accordance with the terms of reference and perform roles, as prescribed under the Act. The Company carries out periodic reviews of comparable Companies and through commissioned survey ascertains the remuneration level prevailing in these Companies. The Company's Remuneration Policy is designed to ensure that the remuneration applicable to Managers in the Company is comparable with multinational Companies operating in Brewing or similar industry in India.

The members of this Committee, as on date are as follows –

Name	Designation
Ms. Sapna Taneja	Independent Director (Chairperson)
Ms. Rashmi Sharma	Independent Director
Mr. Mahesh Kumar Mittal,	Wholetime Director
Mr. Shantanu Krishna	Non-Executive Director

### Disclosure on Establishment of a Vigil Mechanism

The company has an adequate and functional vigil mechanism and ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.

### Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has already adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace as per the Act and has also constituted Internal Complaints Committees to inquire into complaints of sexual harassment and recommend appropriate action. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed of during the year:

- No. of complaints received – 01
- No. of complaints disposed off – 0
- No. of cases pending for more than 90 days – 01

*Note: Due to COVID outbreak and other circumstances the complaint was pending for more than 90 days.*

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## Report of Board of Directors (Contd.)

### Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made 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 as at 31st March, 2021 and of the loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers, and clients for their support.

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

**Sapna Taneja**

Director

DIN: 07032173

Place: Bangalore

Date: 18<sup>th</sup> July, 2023

**Mahesh Kumar Mittal**

Director

DIN: 09071616

## Report of Board of Directors (Contd.)

### Form 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. – Nil
2. Details of material contracts or arrangements or transactions at Arm's length basis.

Sr. No	Name (s) of the Related Party & Nature of Relationship	Nature of contracts/ arrangements /transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Ratification by the Board	Amount (in Million)
1	Crown Beers India Private Limited, Fellow Subsidiary	Sale of raw materials	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	197
2		Purchase of raw materials and packaging materials	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	407
3	Anheuser-Busch InBev Vietnam Brewery Company Limited, Fellow Subsidiary	Purchase of raw materials and packaging materials	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	5
4	Anheuser-Busch Inbev Sedrin (Zhangzhou) Brewery Co., Ltd., Fellow Subsidiary	Purchase of stock-in-trade	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	30
5	Oriental Brewery Co. Ltd., Fellow Subsidiary	Purchase of stock-in-trade	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	183
6	AB InBev GCC Services India Pvt Ltd, Fellow Subsidiary	Sub-Lease	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	12
7	Anheuser - Busch InBev Procurement GmbH, Fellow Subsidiary	Legal, consultancy and professional charges	FY 2020-21	In the Ordinary Course of business	18 <sup>th</sup> July 2023	163

For and on behalf of the Board of Directors

**Sapna Taneja**  
Director  
DIN: 07032173  
Place: Bangalore  
Date: 18<sup>th</sup> July, 2023

**Mahesh Kumar Mittal**  
Director  
DIN: 09071616

## Secretarial Audit Report

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> 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,  
**ANHEUSER BUSCH INBEV INDIA LIMITED**  
(Formerly known as SABMiller India Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Anheuser Busch Inbev India Limited (Formerly known as SABMiller India Limited) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We have examined the books, papers, minute books, forms and returns filed and other records made available to us electronically and maintained by the Company for the financial year ended on 31st March, 2021, and the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Company being an unlisted Company the provisions of the Securities and Exchange Board of India Act, 1992 are not applicable.
- (vi) Other laws specifically applicable to the Company as per the representations made by the Company.
  - 1) Food Safety and Standards Act, 2006 and applicable rules and regulations made thereunder;
  - 2) Legal Metrology Act, 2009 and rules made thereunder;
  - 3) The Environment Protection Act, 1986 and rules made thereunder;
  - 4) The Water (Prevention & Control of Pollution) Act, 1974;
  - 5) The Air (Prevention & Control of Pollution) Act, 1981;
  - 6) The Factories Act, 1948 and rules made thereunder;
  - 7) All other Labour, employee and Industrial Laws to the extent applicable to the Company;
  - 8) Various State Excise Laws relating to alcohol and related industry.

In absence of information, we are unable to comment on the above mentioned other laws specifically applicable to the Company. However, as informed the Company has received various show cause notices under other laws.

We have also examined compliance with the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review and as per the explanations given and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, secretarial standards etc. mentioned above except compliances in respect of the following:

## Secretarial Audit Report (Contd.)

- i. Provisions of Section 149 read with Schedule IV with respect to appointment of Independent Directors and Composition of Board of Directors and the committees required to be constituted pursuant to the provisions of Sections 135, 177 and 178 of the Act and rules made thereunder and other related provisions upto July 29, 2020.
- ii. Provision of section 178 of the Act with respect to constitution of the committee and rules made thereunder and other related provisions. However, as on the date of signing this report, the committee is constituted as per provisions.
- iii. Provisions of Section 96, 129, 134, 137 and the rules made thereunder in respect of approval of audited financial statements, Boards' Report and convening of Annual General Meeting for the financial year ended 31<sup>st</sup> March 2020 and there is a gap of more than fifteen months between two AGM's (i.e. AGM held for FY 2017-2018 held on May 13, 2019 and AGM for FY 2018-2019 held on 30.09.2020).
- iv. Provisions of Section 196 read with Schedule V of the Companies Act, 2013 in respect of appointment of Mr. Ben Magda J Verhaert, Whole-time Director.
- v. Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for transfer of shares in dematerialized form.
- vi. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board meetings.

We further report that during the period under review the company had filed applications under section 460 read with Section 403 of the Companies Act, 2013 for condoning the delay in filing of various Forms MGT-14.

We further report that:

The Board of Directors of the Company, subject to above observations, is constituted with Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors that took place during the period under review.

In absence of information we are unable to comment whether Notices, agenda and detailed notes on agenda were given to all directors to schedule the Board Meetings and whether the Board Meetings were properly convened and held.

Decisions at the Meetings of the Board of Directors and of the Committees thereof were taken with requisite majority.

In view of what is stated herein above, we further report that the systems and processes in the Company are required to be strengthened to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc. and adherence to good corporate practices.

Subject to what is stated hereinabove, we further report that during the audit period the

following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- The shareholders of the Company have approved the scheme of amalgamation between Crown Beers India Private Limited (Transferor Company) and the Company (Transferee Company) and their respective Shareholders and Creditors subject to the approval of the National Company Law Tribunal and other approvals as may be required.

**For Parikh & Associates**

Company Secretaries

Signature:

Place: Mumbai

Date: 18<sup>th</sup> July, 2023

J.U.Poojari

Partner

FCS No: 8102 CP No: 8187

UDIN No. F008102E000630449

Peer Review No. 1129/2021

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.

## Secretarial Audit Report (Contd.)

### ‘Annexure A’

To,  
The Members  
**ANHEUSER BUSCH INBEV INDIA LIMITED**  
(Formerly known as SABMiller India Limited)

Our report of even date is to be read along with this 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 process 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 process 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 happening 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 procedure 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.

**For Parikh & Associates**

Company Secretaries

Signature:

Place: Mumbai  
Date: 18<sup>th</sup> July, 2023

J.U.Poojari

Partner

FCS No: 8102 CP No: 8187

UDIN No. F008102E000630449

Peer Review No. 1129/2021

## Independent Auditor's Report

### To the Members of Anheuser Busch InBev India Limited

#### Report on the audit of the financial statements

#### Qualified Opinion

1. We have audited the accompanying financial statements of Anheuser Busch InBev India Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity 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 Companies Act, 2013 ("the Act") in the manner so required and except for the indeterminate effects of the matters described in the 'Basis for Qualified Opinion' section of our report, 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, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Qualified Opinion

3. We draw your attention to:
  - (a) Note 46(a) to the financial statements regarding non-compliance with Sections 92, 96, 129 and 137 of the Act as the financial statements for the years ended March 31, 2018, March 31, 2019, March 31, 2020 and March 31, 2021 were not laid before the shareholders in the Annual General Meeting held within the timelines prescribed under the Act, and consequentially there was a delay in filing annual returns and financial statements with the authorities.
  - (b) Note 46 (b) to the financial statements regarding the non-compliance with certain secretarial standards, resulting in non-compliance with Section 118 of the Act.
  - (c) Note 47 to the financial statements regarding non-compliance with the provisions of RBI Master Direction No. 17/2016-17 dated January 1, 2016 (as amended) in respect of overdue foreign currency payables as at March 31, 2021, aggregating to

INR 130 million due for more than three years from the date of import and INR 43 million due for more than six months but less than three years from the date of import, to the non-resident parties. Subsequent to the year end, the Company has filed an application to the Reserve Bank of India (RBI) through Authorised dealer bank (AD) seeking approval to write back an amount of INR 120 million payable to group companies which are outstanding for a period exceeding three years and paid INR 12 million which was outstanding for a period exceeding six months but less than three years as at the year end. The Company is yet to approach the Authorised Dealer or the RBI in respect of the balance amounts.

- (d) Note 37 to the financial statements regarding non-availability of complete information for identification of the suppliers which are covered under the provisions of the Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act"). In the absence of adequate evidence, we are unable to conclude on the appropriateness of the Company's identification process and the completeness and accuracy of the interest recognised as payable to such parties under Section 16 of the MSMED Act.
- (e) Note 6A(i) to the financial statements regarding loan amounting to INR 145 million granted to a related party during the financial year ended March 31, 2020, which has been ascertained to be non-recoverable by the Company considering the inability of the related party to repay the loan, and the Company has recognised a provision against the same during the year ended March 31, 2021. In our opinion, the granting of loan in the preceding year as well as the recognition of provision for doubtful loan in the current year are prejudicial to the interests of the Company and its members.

Any penalties that may be levied by the regulatory authorities or any other impact of the aforementioned matters individually and in aggregate, on the financial statements is presently not ascertainable.

4. 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

## Independent Auditor's Report (Contd.)

of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 qualified opinion.

### Emphasis of Matter

5. We draw your attention to:

- (a) Note 46(c) to the financial statements regarding non-compliance with Section 149 of the Act regarding appointment of Independent Directors and Composition of the Board of Directors, Sections 135, 177 and 178 of the Act read with Section 172 of the Act and Schedule IV of the Act regarding composition of Corporate Social Responsibility Committee, Audit Committee and Nomination and Remuneration Committee of the Board, respectively, and Section 152 of the Act regarding retirement of directors by rotation at every annual general meeting, and the subsequent action taken by the company for regularisation of the non-compliances.
- (b) Note 46(d) regarding the constitution of the Nomination and Remuneration Committee of the Board with less than three non-executive directors which was not in compliance with the requirements of Section 178 of the Act read with Section 161 and Rule 6 of the Companies (Meetings of Board and its powers) Rules, 2014, and the subsequent action taken by the company for regularisation of the non-compliances.
- (c) Note 46(e) to the financial statements regarding non-compliances under provisions of the Section 196 read with Schedule V of the Act relating to the appointment of a non-resident as the Whole-time director during the period from November 27, 2017 to September 4, 2020 without obtaining prior approval from the Central Government.

Subsequent to the year end, the Company has filed applications for compounding the offences with the Registrar of Companies (ROC), Mumbai and the response is awaited.

Our opinion is not modified in respect of these matters.

### Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report of Board of Directors, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



## Independent Auditor's Report (Contd.)

### Auditor's responsibilities for the audit of the financial statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 with reference to financial statements 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.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
12. 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

13. 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 the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- We have sought and except for the indeterminate effects of the matters described in the 'Basis for Qualified Opinion' section of our report, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, except for the indeterminate effects of the matters referred to in the 'Basis for Qualified Opinion' section of our report, 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.

## Independent Auditor's Report (Contd.)

- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, except for the indeterminate effects of the matters referred to in the Basis for Qualified Opinion section of our report, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors and 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 maintenance of accounts and other matters, reference is made to our comments in paragraph 14(b) above.
  - (g) 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 A".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29A and 17B to the financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2021;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021; and
    - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
15. Except for managerial remuneration aggregating to INR 4 million, the managerial remuneration paid/ provided for by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. The Company proposes to obtain the necessary approval from shareholders as required by Section 197 read with Schedule V to the Act, in the ensuing annual general meeting.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/ E-300009

**Amit Kumar Agrawal**  
Partner

Membership Number: 064311  
UDIN: 23064311BGYDLU4994

Place: Bengaluru  
Date: July 18, 2023

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 14(g) of the Independent Auditors' Report of even date to the members of Anheuser Busch InBev India Limited on the financial statements as of and for the year ended March 31, 2021

### Report on the Internal Financial Controls with reference to financial statements under Section 143(3)(i) of the Act

1. We were engaged to audit the internal financial controls with reference to financial statements of Anheuser Busch InBev India 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

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

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to financial statements of the Company.

### Meaning of Internal Financial Controls with reference to financial statements

5. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Basis for Disclaimer of Opinion

6. According to the information and explanation given to us, the Company has not established its internal financial control with reference to financial statements on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Disclaimer of Opinion

7. As described in the Basis for Disclaimer of Opinion paragraph above, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Company had adequate internal financial controls with reference to financial statements and whether such internal financial controls 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 issued by the ICAI.

8. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2021, and the disclaimer does not affect our opinion on the financial statements of the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E-300009

**Amit Kumar Agrawal**  
Partner  
Membership Number: 064311  
UDIN: 23064311BGYDLU4994

Place: Bengaluru  
Date: July 18, 2023

## ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Anheuser Busch InBev India Limited on the financial statements as of and for the year ended March 31, 2021

- i. (a) Except for the differences of INR 542 million between the gross block and the accumulated depreciation/amortisation as per the Fixed Asset Register compared to the gross block and the accumulated depreciation/amortisation as per Note 4A and 4D to the financial statements, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment. Also, refer Note 4A(vii) to the financial statements.
- (b) The property, plant and equipment of the Company have not been physically verified by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any have been properly dealt with in the books of account. Also refer Note 4A(iii) to the financial statements.
- (c) The title deeds of immovable properties, as disclosed in Note 4A (Property, plant and equipment) and 4B (Right-of-use assets) to the financial statements are held in the name of the Company, except for immovable properties as mentioned in the table below, for which the title deeds are not in the possession of the Company or are in the name of the entities amalgamated with the Company in prior years.

Particulars	Freehold land	Leasehold land	Buildings
Number of properties	7	3	10
Gross carrying amount as at March 31, 2021 (INR million)	886	101	3,784
Net carrying amount as at March 31, 2021 (INR million)	886	57	2,873

Also, refer Note 4A(iv) to the financial statements.

- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with the third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material. Also, refer Note 10(b) to the financial statements.

- iii. There are no companies / firms / limited liability partnerships / other parties covered in the register maintained under Section 189 of the Act for the purpose of loans granted by the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of the loans and investments made. The Company has not provided any guarantees or security to parties covered under Sections 185 and 186 of the Act.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under Section 148(1) of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of professional tax, provident fund, employee state insurance, income tax (remittance of tax deducted at source) though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues in respect of sales tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer Note 29A(c) to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales tax, service tax, duty of customs, duty of excise, value added tax and entry tax as at March 31, 2021 which have not been deposited on account of a dispute, are disclosed in Appendix 1 to this report. There have been no dues of income tax and goods and services tax which have not been deposited on account of a dispute.
- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any bank. There are no loans from financial institution, Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

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## ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT (Contd.)

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. Except for managerial remuneration aggregating to INR 4 million, the managerial remuneration paid/ provided for by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. The Company proposes to obtain the necessary approval from shareholders as required by Section 197 read with Schedule V to the Act, in the ensuing annual general meeting. Also refer paragraph 15 of our main audit report and note 46(f) to the financial statements.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, except in respect of transactions aggregating to INR 306 million, which are in excess of the limits approved by the Audit Committee of the Board of Directors as required under Section 177 of the Act. The details of the related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Also, refer Note 46(g) to the financial statements.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse &  
Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E-300009

**Amit Kumar Agrawal**  
Partner  
Membership Number: 064311  
UDIN: 23064311BGYDLU4994

Place: Bengaluru  
Date: July 18, 2023

## Appendix 1 to Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Anheuser Busch InBev India Limited on the financial statements as of and for the year ended March 31, 2021

Name of the statute	Nature of the dues	Total Disputed Amount (in INR million)	Amount paid under Protest (in INR million)	Unpaid amount (in INR million)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh Value Added Tax, 2005	Value Added tax	23	3	20	2010-11 to 2012-13	Assistant Commissioner (CT) Audit, Hyderabad
Bihar and Orissa Excise Act, 1915	State excise duty	24	11	13	2001-02 to 2004-05	Supreme Court of India
	State excise duty	3	2	1	2005-06	Orissa High Court
Bombay Prohibition Act, 1949	State excise duty	1	-	1	1983-84 to 1988-89	Bombay High Court
	State excise duty	1	-	1	2000-01	Commissioner of State Excise, Maharashtra
Bombay Sales Tax Act, 1959	Sales tax	3	1	2	1992-93	Trade Tax Tribunal, Maharashtra
	Sales tax	11	6	5	1995-97 and 1998-99	Sales Tax Tribunal, Maharashtra
Bombay Sales Tax Act, 1959 & Central Sales Tax Act, 1956	Sales tax	14	1	13	2001-02	Deputy Commissioner of Sales Tax (Appeal), Maharashtra
Central Excise Act, 1944	Excise duty and Penalty	12	-	12	2009-10 to 2014-15	Central Excise and Service Tax Appellate Tribunal, Mumbai
		4	0	4	2014-15 to 2016-17	Central Excise and Service Tax Appellate Tribunal, Haryana
		23	1	22	2009-10 to 2014-15	Central Excise and Service Tax Appellate Tribunal, Hyderabad
Central Sales Tax Act, 1956	Central sales tax	105	32	73	2013-14	Joint Commissioner of Sales tax (Appeals), Aurangabad
	Central sales tax	4	4	-	2004-05	Sales Tax Tribunal, Meerut
	Central sales tax	1	0	1	2016-17	CST Department, Telangana

Appendix 1 to Annexure B to Independent Auditors' Report (Contd.)

Name of the statute	Nature of the dues	Total Disputed Amount (in INR million)	Amount paid under Protest (in INR million)	Unpaid amount (in INR million)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956/ Rajasthan Value Added Tax, 2003	Central sales tax	10	4	6	2013-14 to 18-19	Commercial Tax Officer, Jaipur
Customs Act, 1962	Customs duty	0	0	0	2007-08	Customs Excise and Service Tax Appellate Tribunal, Mumbai
Delhi Sales Tax Act, 1975	Sales tax	1	-	1	2002-03	Assistant Commissioner of Commercial Taxes (Appeals), New Delhi
Finance Act, 1994	Service tax	651	-	651	2004-05 to 2016-17	Karnataka High Court
	Service tax and penalty	473	-	473	2009-10 to 2012-13	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai
	Service tax and penalty	68	3	65	April 2008 to June 2016	Customs Excise and Service Tax Appellate Tribunal, Bhopal
	Service tax and penalty	13	1	12	October 2015 to March 16	Commissioner of Central Tax (Appeals), Bengaluru
Haryana Local Area Development Tax Act, 2000	Local area development tax	10	-	10	2000-01 to 2003-04	Punjab and Haryana High Court
Haryana Sales Tax Act, 1973	Sales tax	6	5	1	1989-90 to 2002-03	Punjab and Haryana High Court
Karnataka Value added Tax	Entry tax	47	42	5	2006-07 to 2014-15	Joint Commissioner of Commercial tax (Appeals), Bengaluru
Madhya Pradesh Value added Tax Act, 2002	Value Added tax	5	2	3	2007-08 and 2009-10	M P Commercial Tax Appellate Board, Bhopal
The Madhya Pradesh Value Added Tax Act, 2002	Entry tax	1	-	1	2008-09	Additional Commissioner (Appeals), Gwalior

Appendix 1 to Annexure B to Independent Auditors' Report (Contd.)

Name of the statute	Nature of the dues	Total Disputed Amount (in INR million)	Amount paid under Protest (in INR million)	Unpaid amount (in INR million)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2005	Value Added tax	198	59	139	2005-06 to 2010-11 and 2013-14	Joint Commissioner (Appeals), Aurangabad
	Value Added tax	4	3	1	2008-09	Maharashtra Sales tax Tribunal, Maharashtra
Orissa Entry Tax Act, 1999	Entry tax	1	0	1	2000-01	Sales Tax Tribunal, Orissa
Orissa Sales Tax Act, 1947	Sales tax & Value Added Tax	93	82	11	1994-95 to 2000-01	Assistant Commissioner of Sales Tax, Orissa
Pondicherry General Sales Act, 1967	Sales tax	12	2	10	1981-82 to 1984-85, 1997-98 to 1998-99	The Assistant Commissioner (Appeals), Pondicherry
Punjab Excise Act, 1914	State excise duty	14	3	11	1973-74 to 1990-91	Financial Commissioner, Haryana
Uttar Pradesh Tax on Entry of Goods Act, 2000	Entry tax	2	-	2	2005-06	Allahabad High Court
	Entry tax	1	-	1	2008-09	Additional Commissioner (Appeals)
Uttar Pradesh Trade Tax Act, 1948	Entry tax	7	7	-	2003-04 and 2005-06	Supreme Court of India
Uttar Pradesh Value Added Tax Act, 2008	Entry tax	18	18	-	2007-08 to 2015-16	Supreme Court of India
West Bengal Value Added Tax Act, 2003	Value Added tax	0	-	0	2009-10	Joint Commissioner of Commercial Tax, Kolkata



## Financial Statements

(All amounts in INR Millions unless otherwise stated)

### Balance sheet

	Note	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4A	11,298	11,006
Right-of-use assets	4B	1,181	457
Capital work-in-progress	4C	267	1,581
Intangible assets	4D	947	1,104
<b>Financial assets</b>			
Investments	5	-	-
Loans	6A	55	296
Other financial assets	7A	555	629
Deferred tax asset (net)	28	-	-
Current tax assets (net)	8	113	167
Other non-current assets	9A	660	902
<b>Total non-current assets</b>		<b>15,076</b>	<b>16,142</b>
<b>Current assets</b>			
Inventories	10	5,137	5,815
<b>Financial assets</b>			
Trade receivables	11	3,786	4,388
Cash and cash equivalents	12A	516	779
Bank balances other than cash and cash equivalents	12B	-	14
Loans	6B	-	14
Other financial assets	7B	41	312
Other current assets	9B	678	917
<b>Total current assets</b>		<b>10,158</b>	<b>12,239</b>
<b>Total assets</b>		<b>25,232</b>	<b>28,381</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	13	6,166	6,166
<b>Other equity</b>			
Reserves and surplus	14	(6,498)	450
<b>Total equity</b>		<b>(332)</b>	<b>6,616</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	15A	7,260	3,887
Lease liabilities	4B	923	279
Other financial liabilities	16A	-	10
Provisions	17A	175	203
Other non-current liabilities	18A	59	78
<b>Total non-current liabilities</b>		<b>8,417</b>	<b>4,457</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	15B	6,152	2,500
Lease liabilities	4B	233	127
Trade payables			
(A) total outstanding dues of micro and small enterprises	19	70	262
(B) total outstanding dues of creditors other than micro and small enterprises	19	4,499	5,075
- Other financial liabilities	16B	2,158	5,672
Provisions	17B	2,579	1,974
Other current liabilities	18B	1,456	1,698
<b>Total current liabilities</b>		<b>17,147</b>	<b>17,308</b>
<b>Total liabilities</b>		<b>25,564</b>	<b>21,765</b>
<b>Total equity and liabilities</b>		<b>25,232</b>	<b>28,381</b>

The above balance sheet should be read in conjunction with the accompanying notes.  
As per our report of even date.

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm registration number: 304026E/E-300009

**Amit Kumar Agrawal**  
Partner  
Membership number: 064311

**Sapna Taneja**  
Director  
DIN: 07032173

**Kartikeya Sharma**  
Director  
DIN: 07728620

**Mansi Bajaj**  
Company Secretary

**Aastha Sharma**  
Chief Financial Officer

Place: Bengaluru  
Date: 18 July 2023

Place: Bengaluru  
Date: 18 July 2023

## Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

### Statement of Profit and Loss

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Income</b>			
Revenue from operations	20	28,453	33,545
Other income	21	67	430
<b>Total income</b>		<b>28,520</b>	<b>33,975</b>
<b>Expenses</b>			
Cost of material consumed	22	6,593	9,964
Purchase of stock-in-trade		322	108
Change in inventories of finished goods, work-in-progress and stock-in-trade	23	318	(1,416)
Excise duty		16,534	19,577
Employee benefits expense	24	1,862	2,051
Finance costs	25	1,034	1,387
Depreciation and amortisation expense	26	2,110	2,146
Others:			
Loss allowance on trade receivables and other financial assets (net)	41(a)	782	934
Other expenses	27	6,018	6,052
<b>Total expenses</b>		<b>35,573</b>	<b>40,803</b>
<b>Loss before tax</b>		<b>(7,053)</b>	<b>(6,828)</b>
<b>Tax expense:</b>			
Current tax	28	-	-
Current tax pertaining to earlier years		-	(55)
Deferred tax		-	-
		-	(55)
<b>Loss for the year</b>		<b>(7,053)</b>	<b>(6,773)</b>
<b>Other comprehensive income:</b>			
A. Items that will be reclassified to profit or loss		-	-
B. Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plan	33	45	(95)
(ii) Tax relating to these items		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>45</b>	<b>(95)</b>
<b>Total comprehensive income for the year</b>		<b>(7,008)</b>	<b>(6,868)</b>
<b>Loss per equity share (par value: INR 10 each)</b>			
- Basic and Diluted (In INR)	30	(11.44)	(15.27)

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm registration number: 304026E/E-300009

For and on behalf of the Board of Directors

Amit Kumar Agrawal

Partner

Membership number: 064311

Sapna Taneja

Director

DIN: 07032173

Kartikeya Sharma

Director

DIN: 07728620

Mansi Bajaj

Company Secretary

Aastha Sharma

Chief Financial Officer

Place: Bengaluru

Date: 18 July 2023

Place: Bengaluru

Date: 18 July 2023

## Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

### Statement of Cash Flows

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A. Cash flow from operating activities</b>			
(Loss) before tax		(7,053)	(6,828)
<b>Adjustments for:</b>			
Depreciation and amortisation expense	26	2,110	2,146
Finance costs	25	1,034	1,387
Provision for indirect tax and other legal matters		320	72
Loss allowance on trade receivables and other financial assets (net)	41(a)	782	934
Allowance for doubtful non-financial assets	27	240	228
Loss on disposal of property, plant and equipment (net)	27	20	9
Net loss of termination of lease agreement	27	13	-
Employee stock option expense	24	60	271
Release of deferred government grants	21	(12)	(13)
Liabilities no longer required written back	21	-	(257)
Interest income on fixed deposits held at amortised cost	21	(2)	(27)
Interest income on loans to related parties	21	-	(6)
Interest on income tax refund	21	(5)	-
Unwinding of discount on security deposits	21	(2)	(2)
Unrealised foreign exchange (gain)/loss		(1)	2
<b>Operating profit/(loss) before changes in working capital</b>		<b>(2,496)</b>	<b>(2,084)</b>
<b>Changes in working capital</b>			
(Increase) / decrease in loans		(6)	(40)
(Increase) / decrease in other financial assets		286	301
(Increase) / decrease in inventories		678	(3,157)
(Increase) / decrease in trade receivables		56	826
(Increase) / decrease in other assets		234	140
Increase / (decrease) in other financial liabilities		54	(99)
Increase / (decrease) in provisions		(18)	39
Increase / (decrease) in trade payables		(766)	1,127
Increase / (decrease) in other liabilities		(249)	567
<b>Cash generated from / (used in) operations</b>		<b>(2,227)</b>	<b>(2,380)</b>
Income taxes paid / (refunds) - net		59	23
<b>Cash generated from / (used in) operations [A]</b>		<b>(2,168)</b>	<b>(2,357)</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(868)	(2,295)
Loans given to related parties		-	(145)
Interest received		2	30
Fixed deposits made with bank		(30)	(42)
<b>Cash generated from / (used in) investing activities [B]</b>		<b>(896)</b>	<b>(2,452)</b>

## Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

### Statement of Cash Flows

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>C. Cash flows from financing activities</b>			
Proceeds from issue of shares		-	10,629
Share issue expenses		-	(11)
Principal element of lease payments		(177)	(110)
Interest paid on External Commercial Borrowings from related parties		(174)	(351)
Interest paid on External Commercial Borrowings from bank		-	(89)
Interest paid on Working capital loan and overdrafts from banks		(225)	(450)
Interest paid on term loans from related parties		-	(14)
Interest paid on currency swap contracts		(217)	(271)
Interest paid on lease liabilities		(58)	(32)
Interest paid - others		-	(12)
Repayment of External Commercial Borrowings from Bank		-	(2,569)
Proceeds from/ (repayment of) term loans from related parties (net)		(2)	(2)
Proceeds from/ (repayment of) Working capital loan and overdrafts from banks (net)		3,652	(1,501)
<b>Cash generated from / (used in) financing activities [C]</b>		<b>2,799</b>	<b>5,217</b>
<b>Net increase / (decrease) in cash and cash equivalents [A+B+C]</b>		<b>(265)</b>	<b>408</b>
Cash and cash equivalents at the beginning of the year		779	375
Effect of exchange rate changes on cash and cash equivalents		2	(4)
<b>Cash and cash equivalents at the end of the year</b>		<b>516</b>	<b>779</b>
		<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>Cash and cash equivalents as at the end of the year comprises of (note 12A):</b>			
Balances with banks			
In current accounts		402	720
In exchange earners foreign currency account		34	59
Deposits with maturity less than three months		80	-
<b>Cash and cash equivalents at the end of the year</b>		<b>516</b>	<b>779</b>
<b>Note:</b>			
Non-cash financing and investing activities			
Acquisition of right-of-use assets		1,001	104

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm registration number: 304026E/E-300009

For and on behalf of the Board of Directors

**Amit Kumar Agrawal**

Partner

Membership number: 064311

**Sapna Taneja**

Director

DIN: 07032173

**Kartikeya Sharma**

Director

DIN: 07728620

**Mansi Bajaj**

Company Secretary

**Aastha Sharma**

Chief Financial Officer

Place: Bengaluru

Date: 18 July 2023

Place: Bengaluru

Date: 18 July 2023

## Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

### Statement of Changes in Equity for the year ended 31 March 2021

#### A. Equity share capital

Particulars	Note	Amount
<b>Balance as at 1 April 2019</b>		<b>4,086</b>
Changes in equity share capital	13	2,080
<b>Balance as at 31 March 2020</b>		<b>6,166</b>
Changes in equity share capital	13	-
<b>Balance as at 31 March 2021</b>		<b>6,166</b>

#### B. Other Equity

Particulars	Note	Reserves and Surplus						Total
		Securities premium	Capital reserve	Amalgamation adjustment reserve/(deficit) account	General reserve	Equity contribution by parent company in the form of employee stock options	Retained earnings	
<b>Balance as at 1 April 2019</b>	14	<b>13,966</b>	<b>(19)</b>	<b>(1,030)</b>	<b>1,218</b>	<b>884</b>	<b>(16,510)</b>	<b>(1,490)</b>
Loss for the year		-	-	-	-	-	(6,773)	(6,773)
Other comprehensive income		-	-	-	-	-	(95)	(95)
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>(6,868)</b>	<b>(6,868)</b>
<i>Transactions with owners in their capacity as owners:</i>								
Issue of equity shares for cash		8,549	-	-	-	-	-	8,549
Amount utilised for share issue expenses		(11)	-	-	-	-	-	(11)
Employee stock option expense for the year		-	-	-	-	271	-	271
<b>Balance as at 31 March 2020</b>	14	<b>22,504</b>	<b>(19)</b>	<b>(1,030)</b>	<b>1,218</b>	<b>1,155</b>	<b>(23,378)</b>	<b>450</b>
Loss for the year		-	-	-	-	-	(7,053)	(7,053)
Other comprehensive income		-	-	-	-	-	45	45
<b>Total comprehensive income for the year</b>		-	-	-	-	-	<b>(7,008)</b>	<b>(7,008)</b>
<i>Transactions with owners in their capacity as owners:</i>								
Employee stock option expense for the year		-	-	-	-	60	-	60
<b>Balance as at 31 March 2021</b>	14	<b>22,504</b>	<b>(19)</b>	<b>(1,030)</b>	<b>1,218</b>	<b>1,215</b>	<b>(30,386)</b>	<b>(6,498)</b>

The above statement of changes in equity should be read in conjunction with accompanying notes.

As per our report of even date attached

For Price Waterhouse & Co Chartered Accountants LLP

Firm registration number: 304026E/E-300009

For and on behalf of the Board of Directors

**Amit Kumar Agrawal**

Partner

Membership number: 064311

**Sapna Taneja**

Director

DIN: 07032173

**Kartikeya Sharma**

Director

DIN: 07728620

**Mansi Bajaj**

Company Secretary

**Aastha Sharma**

Chief Financial Officer

Place: Bengaluru

Date: 18 July 2023

Place: Bengaluru

Date: 18 July 2023

## Notes to the Financial Statements as of and for the year ended 31 March 2021

### 1 Company background

Anheuser Busch InBev India Limited ("the Company") was incorporated under the Companies Act, 1956 on 18 November 1988. The registered office of the Company is at Unit No. 301-302, Dynasty Business Park, B-wing, Third Floor, Andheri Kurla Road, Andheri East, Mumbai, Maharashtra 400059. The Company is primarily engaged in the business of brewing, packaging distribution, marketing and sale of beer and non-alcoholic beverages and has manufacturing facilities in various states across India.

These financial statements are approved for issue by the Company's Board of Directors on 18 July 2023.

### 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Basis of preparation and presentation

##### (i) Compliance with Ind AS

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

##### (ii) Historical cost convention

These financial statements have been prepared on a historical cost basis, except for the following:

- defined benefits plans – plan assets is measured at fair value; and
- equity contribution by parent company in the form of ESOP measured as per principles of Ind AS 102
- certain financial assets and financial liabilities measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of asset for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

##### (iii) New and amended standards adopted by the Company

The Company has adopted the following amendments to Ind AS standards from 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related rent concessions- amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107.

The amendments listed above did not have any impact on the amounts recognised in current and prior periods and are not expected to significantly affect any future periods.

##### (iv) Standard issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended the following accounting standards. These amendments are effective from 1 April 2022 and early adoption is permitted in some cases.

- Ind AS 16, Property Plant and equipment
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 101, First time adoption of Indian Accounting Standards
- Ind AS 103, Business Combinations
- Ind AS 109, Financial Instruments
- Ind AS 41, Agriculture

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

The above amendments are not likely to have any material impact on the financial statements of the Company for the current or future reporting periods.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

### (v) Going concern

The Company has been incurring losses and its net worth has eroded to the extent of accumulated losses amounting to INR 30,386 million (31 March 2020: INR 23,378 million) and its current liabilities exceeded current assets by INR 6,989 million as at the year end (31 March 2020: INR 5,069 million). Management is taking steps to make the operations profitable and has further received a letter from Anheuser Busch InBev Asia BV, the Holding Company confirming financial and other support that will be available to the Company to settle its obligations as they arise and to continue in operations. Further, subsequent to the year end, the Company has issued additional equity shares aggregating to INR 15,443 million as described in Note 15A(b) and Note 49.

Accordingly, based on the above considerations and future cash flow projections, the Board of Directors have considered it appropriate to prepare these financial statements on a going concern basis.

### 2.2 Foreign currency translation

#### Functional and presentation currency

The financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency. All amounts have been rounded off to the nearest millions, unless otherwise indicated.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of profit and loss.

Foreign exchange differences arising from foreign currency borrowings equivalent to the extent to which the exchange loss does not exceed the difference between the cost of borrowing in functional currency when compared to the cost of borrowing in a foreign currency are regarded as finance costs. For the purpose of presentation, all exchange differences on foreign currency borrowings are included within 'finance costs'.

### 2.3 Revenue recognition

Revenue comprises revenue from contracts with customers for sale of goods and services. Revenue from sale of goods is inclusive of excise duties and is net of returns, trade allowances, rebates, value added taxes, goods and services tax (GST) and such amounts collected on behalf of third parties.

Revenue is recognised as and when performance obligations are satisfied by transferring goods or services to the customer, as below:

#### Revenue from sale of products (including Sale of spent malt, raw materials and packing materials and scrap):

Revenue is recognised on transfer of control, being on dispatch of goods or upon sale to retailers/distributors, in accordance with the terms of sale.

#### Revenue from manufacture and sale of products from contract bottling arrangements

The Company has entered into arrangements with Contract Bottlers (CBUs), where-in CBUs manufacture and sell Beer on behalf of the Company. Under such arrangements, the Company has exposure to significant risks and rewards associated with the sale of products i.e. it has the primary responsibility for providing goods to the customer, has pricing latitude and is also exposed to inventory risk of finished goods. Accordingly, the transactions of the CBUs under such arrangements have been recorded as gross revenue, excise duty and expenses as if they were transactions of the Company. The Company also presents finished goods inventory under such arrangements as its own inventory. The net receivables from/ payable to each CBU are recognised under other financial assets/ other financial liabilities respectively, as the case may be.

#### Royalty Income

Revenue in respect of royalty income arrangements is recognised proportionately in each period. Income from royalty arrangements is recognised based on the terms of the respective contracts upon sale of products by the customers.

### 2.4 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the related property, plant and equipment.

### 2.5 Income taxes

Income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2.6 Leases

### *As a lessee*

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments)
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received, and

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

### *As a lessor*

Lease income from operating leases where the Company is a lessor is recognised in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

## 2.7 Property, plant and equipment

Freehold land is carried at historical cost less impairment, if any. All other items of property, plant and equipment are stated at historical cost less depreciation, and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.



## Notes to the Financial Statements as of and for the year ended 31 March 2021

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All expenses in the nature of repairs and maintenance are charged to Statement of profit and loss during the reporting period in which they are incurred.

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

### *Transition to Ind AS*

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

### *Depreciation methods, estimated useful lives and residual value*

Depreciation is calculated using the straight line method as per the estimated useful lives of assets as below:

<b>Asset</b>	<b>Useful life (in years)</b>
Buildings	3-30
Plant and equipment	3-20
Computers	3
Furniture and fixtures	5
Office equipment	5
Vehicles	8

Leasehold land is amortized over the lease term. Leasehold improvements are depreciated over the lower of useful life or lease term unless the Company expects to use the assets beyond the lease term.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and supported by technical advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets which in certain instances is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

### *Disposals*

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These are accounted in Statement of profit and loss within Other income/expense, on a net basis.

## 2.8 Intangible assets

### **Recognition and measurement**

#### **Brands**

Brands acquired are carried at cost less accumulated amortisation and impairment losses, if any.

#### **Computer software**

Computer software acquired are carried at cost less accumulated amortisation and impairment losses, if any. Costs associated with maintaining software programs are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of customised computer software applications are recognised as intangible assets under development or intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use,
- there is an ability to use or sell the software,
- it can be demonstrated that the software will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the customised computer software applications include employee costs and other directly attributable costs and are amortised from the point at which the software asset is available for use.

#### **Research and development costs**

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit or Loss when the asset is derecognised.

#### **Amortisation method and useful lives**

The Company amortises intangible assets with finite useful life using the straight-line method over their estimated useful lives as follows:

## Notes to the Financial Statements as of and for the year ended 31 March 2021

Asset	Useful life (in years)
Brands	20
Computer Software	4-5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### 2.9 Impairment of assets

Assets are tested for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### 2.10 Inventories

Inventories which comprise raw materials, work-in-progress (intermediates), finished goods, stock-in-trade, packing materials and stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost of inventories, First-in -first out ('FIFO') cost method is used. In case of manufactured finished goods and work-in-progress, fixed production overheads are allocated on the basis of normal capacity of production facilities while the variable production overheads are allocated on actuals. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis. Adequate provision is made for expired, obsolete and slow moving items.

### 2.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and balances with banks that are readily convertible to known amounts of cash and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.12 Employee benefits

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and performance incentives that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services rendered up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented under 'Other financial liabilities' in the balance sheet.

#### (ii) Other long-term employee benefit obligations

The liabilities for compensated absences are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields of government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of profit and loss.

#### (iii) Post-employment obligations

##### Defined contribution plan

These are plans in which the Company pays pre-defined amounts to funds administered by government authority/ Company and does not have any legal or constructive obligation to pay additional sums. These comprise contributions in respect of Employees' Provident Fund, Employees' State Insurance and Superannuation fund. The Company's payments to the defined contribution plans are recognised as employee benefit expenses when they are due.

##### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such

## Notes to the Financial Statements as of and for the year ended 31 March 2021

defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### (iv) Group share based payment arrangements

The fair value of equity settled share options based on shares of group companies is initially measured at grant date and is charged to the Statement of profit and loss over the vesting period, which is the period over which all of the specified vesting conditions are satisfied, and the credit is included in equity. At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the non-market and service conditions. It recognises the impact of revision to original estimate, if any, in profit or loss, with a corresponding adjustment to equity.

### 2.13 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. A provision is made in respect of onerous contracts, i.e., contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected

to be received under such contracts. Provisions are not recognised for other future operating losses. The carrying amounts of provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 2.14 Borrowings

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

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other income/expense.

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

### 2.15 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset

## Notes to the Financial Statements as of and for the year ended 31 March 2021

for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### 2.16 Financial Instruments

#### A) Financial Assets:

##### a) Recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value.

##### *Equity instruments (unquoted equity shares)*

The Company subsequently measures all equity investments at fair value through profit or loss.

##### *Debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortised cost (unquoted government or trust securities): Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

- Fair value through profit or loss (FVTPL) (quoted bonds): Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at FVTPL.

##### i) Trade Receivables:

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the Effective Interest Rate method (EIR), less loss allowance.

##### ii) Loans

On initial recognition, Loans are measured at fair value. Since the objective is to hold these loans to collect contractual cash flows that are solely payments of principal and interest, these assets are subsequently measured at amortised cost using the effective interest rate method less impairment, if any.

##### iii) Investments (measured at FVTPL) (unquoted equity shares and quoted bonds):

On initial recognition, the Company measures a investments at its fair value and the transaction costs of investments carried at FVTPL are expenses in the Statement of Profit and Loss.

##### iv) Other financial assets (including Investments measured at amortised costs):

On initial recognition, Other financial assets are measured at fair value, and subsequently, measured at the amortised cost, less impairment if any. Loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

##### b) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

##### c) Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on Trade receivables and other financial assets measured at amortised cost.

In case of trade receivables, the Company follows the simplified credit loss model (as permitted by Ind AS 109) wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other financial assets, the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improve such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive (i.e., cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'Loss allowance on trade receivables and other financial assets'.

### d) Income recognition

Dividend income on investments is recognised and accounted for when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accounted for on a time-proportion basis using effective interest rate method taking into account the amounts invested and the rate of interest, except for financial assets that subsequently become credit impaired.

### B) Financial Liabilities:

#### a) Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, financial liabilities are measured at fair value and subsequently measured at amortised cost.

#### Trade and other payables

In case of trade and other payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest rate method.

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end

of financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

#### b) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### C) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### 2.17 Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are recognised in profit or loss.

For the purpose of presentation, gains/losses arising on fair valuation of derivative financial instruments for hedging risk relating to foreign currency borrowings are included within 'finance costs'.

### 2.18 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has appointed a strategic steering committee which assesses the financial performance and position of the Company and makes strategic decisions. The steering committee, which has been identified as being the chief operating decision maker, consists of the Managing Director, the Chief Financial Officer and other senior management team members assesses the financial performance and position of the Company and makes strategic decisions. Refer Note 36 for segment information presented.

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## Notes to the Financial Statements as of and for the year ended 31 March 2021

### 2.19 Earnings/ loss per share (EPS)

Basic EPS is arrived by dividing profit/ loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

### 2.20 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III (Division II) to the Act, unless otherwise stated. The sign '0' in these financial statements indicates that the amounts involved are below INR five lacs and the sign '-' indicates that amounts are nil.

### 3 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual result. This note provides an overview

of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates/judgements are:

- Provision for indirect tax and other legal matters and contingent liabilities – refer note 29A and 38
- Impairment of property, plant and equipment, including capital work in progress and intangible assets – refer note 4A(vi)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

### 4A Property, plant and equipment

(INR Million)

Particulars	Owned								Leased	Total
	Freehold land	Buildings [refer note (i) below]	Leasehold improvements	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	Leasehold land	
<b>Gross carrying amount</b>										
<b>Balance as at 1 April 2019</b>	620	3,669	0	11,004	118	123	34	41	25	15,634
Adjustment on adoption of Ind AS 116 on Leases [Refer Note (ii) below]	-	-	-	-	-	-	-	-	(25)	(25)
Additions [Refer Note (v) below]	266	42	-	994	63	2	4	2	-	1,373
Disposals	-	(6)	-	(167)	(52)	(5)	(1)	(0)	-	(231)
<b>Balance as at 31 March 2020</b>	886	3,705	0	11,831	129	120	37	43	-	16,751
<b>Balance as at 1 April 2020</b>	886	3,705	0	11,831	129	120	37	43	-	16,751
Adjustments made during the year		58	-	(137)	-	-	79	-	-	-
Additions	-	94	-	1,806	63	37	2	9	-	2,011
Disposals	-	(2)	-	(29)	-	(0)	(7)	(4)	-	(42)
<b>Balance as at 31 March 2021</b>	886	3,855	0	13,471	192	157	111	48	-	18,720
<b>Accumulated depreciation</b>										
<b>Balance as at 1 April 2019</b>	-	541	0	3,465	104	58	12	24	3	4,207
Adjustment on adoption of Ind AS 116 on Leases [Refer Note (ii) below]	-	-	-	-	-	-	-	-	(3)	(3)
Depreciation for the year	-	178	-	1,517	35	21	5	9	-	1,765
Disposals	-	(5)	-	(161)	(52)	(5)	(1)	(0)	-	(224)
<b>Balance as at 31 March 2020</b>	-	714	0	4,821	87	74	16	33	-	5,745
<b>Balance as at 1 April 2020</b>	-	714	0	4,821	87	74	16	33	-	5,745
Adjustments made during the year		45	-	(104)	-	-	59	-	-	-
Depreciation for the year	-	138	-	1,480	33	28	6	11	-	1,696
Disposals	-	(0)	-	(14)	-	(0)	(4)	(1)	-	(19)
<b>Balance as at 31 March 2021</b>	-	897	0	6,183	120	102	77	43	-	7,422
<b>Net Carrying amounts:</b>										
<b>As at 31 March 2020</b>	886	2,991	-	7,010	42	46	21	10	-	11,006
<b>As at 31 March 2021</b>	886	2,958	-	7,288	72	55	34	5	-	11,298

#### Notes:

- i) Includes building constructed on leasehold land aggregating to net carrying amounts of INR 605 million (31 March 2020: INR 603 million).
- ii) Pursuant to adoption of Ind AS 116, leasehold land as at 31 March 2019 have been transferred to right-of-use assets on 1 April 2019 and are presented as a separate line item in the balance sheet as at 31 March 2020 and 31 March 2021, refer Note 4B.
- iii) Due to the outbreak of COVID-19 pandemic, the management has not been able to carry out the year-end physical verification of property, plant and equipment as at 31 March 2021. Subsequent to the year end management has initiated the physical verification of property, plant and equipment and the exercise is in progress as at the date of adoption of these financial statements. The management does not envisage any material adjustments in the carrying amounts of property, plant and equipment on this account.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 4A Property, Plant, Equipment (Contd)

#### iv) Title deeds

Refer details in table (a) below for freehold land, leasehold land and buildings thereon (included under Note 4A and 4B), for which the title deeds are held in the name of the erstwhile entities which were amalgamated with the Company in prior years and table (b) below for details of freehold land, leasehold land and buildings thereon out of table (a) for which title deeds are not in physical possession of the Company. However, the Company is in possession of other collaborative documents to evidence the ownership of such parcels of freehold land and leasehold land including building thereon.

#### (a) Details of immovable properties held in the name of the erstwhile amalgamated Companies

Particulars	As at 31 March 2021			As at 31 March 2020		
	Freehold land	Leasehold land	Buildings	Freehold land	Leasehold land	Buildings
Number of properties	7	3	10	7	3	10
Gross carrying amount	886	101	3,784	886	101	3,748
Net carrying amount	886	57	2,873	886	59	2,969

#### (b) Details of immovable properties out of table (a) above for which title deed is not in the possession of the Company

Particulars	As at 31 March 2021			As at 31 March 2020		
	Freehold land	Leasehold land	Buildings	Freehold land	Leasehold land	Buildings
Number of properties	2	1	3	2	1	3
Gross carrying amount	63	29	1,057	63	29	1,022
Net carrying amount	63	13	761	63	14	754

- v) Additions to Freehold land and Leasehold land (Note 4B) for the previous year includes INR 266 million and INR 76 million towards stamp duty provision on various amalgamations effected through court orders in earlier years.
- vi) The Company has performed an assessment for impairment of the carrying value of its property, plant and equipment, right-of-use assets, capital work in progress and intangible assets, aggregating to INR 13,693 million as at 31 March 2021 (31 March 2020: INR 14,148 million) with the help from an independent valuer. The management has identified the Company as a whole as the Cash Generating Unit ("CGU"). The Management has commenced various initiatives for the purpose of achieving revenue growth through localisation of a few premium brands and cost reduction of the raw material and packing materials through improved product mix and other productivity measures. This has contributed to significant revenue growth and reduction of the losses in the financial year ended 31 March 2022 and 31 March 2023.

The Management has considered a time frame of 10 years (31 March 2020: 11 years) for these projections based on the average remaining useful life of various plants, wherein a CAGR of 37.2% for the next 2 years, 8.1% for the next 5 years and nil thereafter (31 March 2020: CAGR of 6.5% over the projection period) for revenue growth and a gross margin improvement of 10.6% for the next 2 years, 1.3% for the next 5 years and nil thereafter (31 March 2020: 8% for the next five years and nil for the balance years) have been considered. The discount rate considered for the purpose of calculating the present value of future cash flows has been determined based on post tax weighted average cost of capital at 12.8% (31 March 2020: 11.6%).

The Management is confident of being able to achieve the projected results through the above ongoing and planned initiatives. Based on the projected cash flows, the Management believes that the recoverable value of its property, plant and equipment, including right-of-assets, capital work in progress and intangible assets, exceeds the carrying value and accordingly no impairment under Ind AS 36 needs to be recorded as of 31 March 2021.

Any reasonable change in the key assumptions are not expected to have a material effect on the recoverable value leading to an impairment loss.



## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

- vii) On transition to Ind AS effective 1 April 2016, the net carrying amounts of property, plant and equipment and intangible assets as at 31 March 2015 was considered as the deemed cost and presented as the gross block as at 1 April 2015. However, the Fixed Asset Register continues to reflect the original costs of the assets as the gross block value and the accumulated depreciation/amortisation prior to adoption of Ind AS and does not have the details of the deemed cost considered under Ind AS at the time of initial adoption. Accordingly, the gross block and the accumulated depreciation/amortisation as per the Fixed Asset Register is higher by INR 542 million (31 March 2020: INR 542 million) compared to the gross block and the accumulated depreciation/amortisation as per Note 4A and 4D. Further, the disposals as per Note 4A and 4D are given at original values and not at deemed cost. This has no impact on the net carrying amounts in the balance sheet and depreciation and amortisation expense or gain/loss on sale of property, plant and equipment or intangible assets in the Statement of Profit and Loss.
- viii) The Board of Directors in its meeting held on 22 December 2021, have approved to sell / dispose off three of its breweries located in Kerala, Odisha and Puducherry to a third party vide a sale agreement dated 24 December 2021 for an aggregate consideration of INR 1,625 million. Further, the Company has sold/ transferred/ assignment of right, title and interest in the brand “Foster’s” and the associated intellectual property with the said third party on 23 December 2021 for INR 750 million.

The above sale has been approved by the members through special resolution in its Extra ordinary general meeting held on 18 February 2022. The consideration for the sale of the above mentioned breweries and brand is higher than the carrying value of these assets as at 31 March 2021 respectively.

### 4B Leases

This note provides information for leases where the Company is a lessee. The Company takes land and buildings (offices and warehouses) on lease. Lease contracts are typically entered into for 40 to 95 years for leasehold land and for periods of 11 months to 5 years for buildings, and may have extension options as described in Note (b) below.

#### (i) Movement in Right-of-use assets

Gross Block	Buildings	Leasehold land	Plant and equipment	Total
As at 1 April 2019 (restated)	412	25	-	437
Additions [Refer Note 4A(v)]	104	76	-	180
Adjustments to leases during the year	12	-	-	12
<b>As at 31 March 2020</b>	<b>528</b>	<b>101</b>	<b>-</b>	<b>629</b>
As at 1 April 2020	528	101	-	629
Additions	62	-	939	1,001
Termination during the year	(209)	-	-	(209)
<b>As at 31 March 2021</b>	<b>381</b>	<b>101</b>	<b>939</b>	<b>1,421</b>

Accumulated depreciation	Buildings	Leasehold land	Plant and equipment	Total
As at 1 April 2019 (restated)	-	3	-	3
Charge for the year	130	39	-	169
<b>As at 31 March 2020</b>	<b>130</b>	<b>42</b>	<b>-</b>	<b>172</b>
As at 1 April 2020	130	42	-	172
Charge for the year	142	2	46	190
Termination during the year	(122)	-	-	(122)
<b>As at 31 March 2021</b>	<b>150</b>	<b>44</b>	<b>46</b>	<b>240</b>
<b>Net carrying amounts as at 31 March 2020</b>	<b>398</b>	<b>59</b>	<b>-</b>	<b>457</b>
<b>Net carrying amounts as at 31 March 2021</b>	<b>231</b>	<b>57</b>	<b>893</b>	<b>1,181</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### (ii) Movement in lease liabilities

Particulars	Lease Liability
Lease liabilities as at 1 April 2019 (restated)	412
Acquisitions- Leases	104
Interest expense	32
Payment of interest element of leases	(32)
Payment of principal element of leases	(110)
<b>Lease liabilities as at 31 March 2020</b>	<b>406</b>
Lease liabilities as at 1 April 2020	406
Acquisitions- Leases	1,001
Interest expense	58
Payment of interest element of leases	(58)
Termination of lease	(74)
Payment of principal element of leases	(177)
<b>Lease liabilities as at 31 March 2021</b>	<b>1,156</b>

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Lease Liabilities</b>		
Current	233	127
Non-current	923	279
<b>Total</b>	<b>1,156</b>	<b>406</b>

### (iii) Amounts recognised in the Statement of Profit and Loss

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Depreciation charge of right-of-use assets			
Leasehold land and Buildings	26	190	169
b) Interest expenses (included in finance cost)	25	58	32
c) Lease related expenses included in Rent expenses	27		
- Short term leases		40	33
- Variable lease payments (not included in lease liabilities)		33	25
		<b>73</b>	<b>58</b>
	27	13	-

Notes:

#### (a) Extension and termination options

Extension and termination options are included in a few land, building and the Plant and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. Management considers contractual terms and conditions, leasehold improvements undertaken, costs relating to termination of lease and importance of the underlying asset to the Company's operations in determining the lease term for the purpose of recognising/ measuring the lease liability.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 4C Capital work-in-progress

	As at 31 March 2021	As at 31 March 2020
Opening capital work-in-progress	1,581	541
Additions	697	2,147
Assets capitalised during the year	(2,011)	(1,107)
Closing capital work-in-progress	<b>267</b>	<b>1,581</b>

The balances in capital work-in-progress as at 31 March 2021 primarily comprises of projects pertaining to expansion and enhancement of brewing capacity at various breweries.

The balances in capital work-in-progress as at 31 March 2020 primarily comprises of projects pertaining to expansion of brewing capacity including capital projects for localisation of premium brands.

### 4D Intangible assets

Reconciliation of carrying amount for the year ended 31 March 2020 and 31 March 2019:

Particulars	Brands (acquired) (*)	Computer software (acquired)	Total
<b>Gross carrying amount:</b>			
Balance as at 1 April 2019	1,840	186	2,026
Additions	-	96	96
Disposals	-	(1)	(1)
<b>Balance as at 31 March 2020</b>	<b>1,840</b>	<b>281</b>	<b>2,121</b>
Additions	-	67	67
Disposals	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,840</b>	<b>348</b>	<b>2,188</b>
<b>Accumulated amortisation:</b>			
Balance as at 1 April 2019	683	123	806
Amortisation for the year	173	39	212
Disposals	-	(1)	(1)
<b>Balance as at 31 March 2020</b>	<b>856</b>	<b>161</b>	<b>1,017</b>
Amortisation for the year	171	53	224
Disposals	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1,027</b>	<b>214</b>	<b>1,241</b>
<b>Carrying amounts (net):</b>			
<b>As at 31 March 2020</b>	<b>984</b>	<b>120</b>	<b>1,104</b>
<b>As at 31 March 2021</b>	<b>813</b>	<b>134</b>	<b>947</b>

(\*) includes the following brands: Foster's, Haywards and Royal Challenge.

#### Notes :

- (i) Remaining useful life as at the year end are as below:  
Brands - 4 to 6 years (31 March 2020 - 5 to 7 years)  
Software - 1 to 4 years (31 March 2020 - 1 to 4 years)
- (ii) Also, refer Notes 4A(vi), 4A(vii) and 4A(viii)

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 5. Non-current financial investments

#### Other investments

Particulars	As at 31 March 2021	As at 31 March 2020
<b><i>Investment in equity shares - Unquoted</i></b>		
80,000 units (31 March 2020: 80,000 units) fully paid up equity shares of Rs. 3 each in Vulcan Leasing and Investments Limited	0	0
295 units (31 March 2020: 295 units) fully paid up equity shares of Rs. 100 each in Haryana State Cooperative Bank Limited	0	0
	0	0
Less: Impairment in the value of investments	(0)	(0)
	-	-
<b><i>Investments in bonds- Quoted</i></b>		
2 units (31 March 2020: 2 units) of 8% bonds of Gujarat Urja Vikas Nigam Limited of face value Rs. 70,000 each	-	0
70 units (31 March 2020: 70 units) of 9.95% bonds of State Bank of India of face value Rs. 10,000 each	1	1
1 unit (31 March 2020: 1 unit) of 8.75% bond of Oriental Bank of Commerce of face value Rs. 1,000,000	1	1
1 unit (31 March 2020: 1 unit) of 8.70% bond of Power Finance Corporation Limited of face value Rs. 1,000,000	1	1
	3	3
Less: Impairment in the value of investments	(3)	(3)
	-	-
<b>Investments measured at amortised cost:</b>		
<b><i>Investments in government or trust securities- Unquoted</i></b>		
National Savings Certificates	2	2
Indira Vikas Patra	0	0
	2	2
Less: Impairment in the value of investments	(2)	(2)
	-	-
	-	-
Aggregate book value of quoted investments	3	3
Aggregate market value of quoted investments	0	0
Aggregate value of unquoted investments	2	2
Aggregate amount of impairment in value of investments	(5)	(5)

### 6. Loans

#### A. Non-current loans

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to related parties [refer note 32 and note (i) below]	147	147
Loans to employees	-	12
Rental deposits	67	49
Security deposits	215	201
	<b>429</b>	<b>409</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
Less: Loss allowance		
- Loans to related parties [refer note 32 and note (i) below]	(147)	-
- Rental deposits	(22)	(21)
- Security deposits	(205)	(92)
	<b>(374)</b>	<b>(113)</b>
	<b>55</b>	<b>296</b>

### Break up of security details

Particulars	As at 31 March 2021	As at 31 March 2020
Loans considered good - secured	-	-
Loans considered good - unsecured	55	296
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	374	113
<b>Total</b>	<b>429</b>	<b>409</b>
Less: Loss allowance	(374)	(113)
	<b>55</b>	<b>296</b>

Note:

- (i) During the year ended 31 March 2020, the Company had granted an unsecured loan amounting to INR 145 million to SKOL Breweries Private Limited, a fellow subsidiary, at an interest of 9.5% per annum repayable on 1 May 2022 for general purpose. The financial statements of the fellow subsidiary are drawn on a liquidation basis. Based on the evaluation of the said fellow subsidiary and its inability to repay the loan, receivable balance including opening accrued interest is considered doubtful and loss allowances have been created for the entire balance as at 31 March 2021. Consequent to the requisite approval from the Board of Directors, the said loan and accrued interest thereon has been written off in the books of the Company in the month of July 2022. In relation to this loan, the Company has not accrued any interest income for the year.

### 6. Loans (Cont.)

#### B. Current loans

Particulars	As at 31 March 2021	As at 31 March 2020
Loans to employees	-	14
	-	<b>14</b>

#### Break up of security details

Particulars	As at 31 March 2021	As at 31 March 2020
Loans considered good- Secured	-	-
Loans considered good- Unsecured	-	14
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	-	<b>14</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 7. Other financial assets

#### A. Other non-current financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Bank deposits due to mature after 12 months from the reporting date (refer note below)	84	39
Derivative financial asset [refer note 15A(e)]	471	570
Receivable from contract bottlers	427	477
	<b>982</b>	<b>1,086</b>
Less: Loss allowance		
- Receivable from contract bottlers	(427)	(457)
	<b>555</b>	<b>629</b>

Note: Held as lien by bank against bank guarantees.

#### B. Other current financial assets

Particulars	As at 31 March 2021	As at 31 March 2020
Derivative financial asset	-	241
Non-trade receivable from related parties (refer note 32)	15	56
Interest accrued on bank deposits	-	9
Receivable from contract bottlers	26	-
Interest accrued but not due from related parties [refer note 32 and 6A(i)]	6	6
	<b>47</b>	<b>312</b>
Less: Loss allowance		
- Interest accrued but not due from related parties [refer note 32 and 6A(i)]	(6)	-
	<b>41</b>	<b>312</b>

### 8. Current tax assets (net)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Others</b>		
Advance income tax and tax deducted at source	113	167
	<b>113</b>	<b>167</b>

### 9. Other assets

#### A. Other non-current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Capital advances		
Considered good	1	-
Considered doubtful	38	46

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with government authorities (indirect tax paid under protest)		
Considered good	614	830
Considered doubtful	75	-
Prepaid expenses	45	46
Duty drawback receivable		
Considered good	-	26
Considered doubtful	25	-
Other advances		
Considered doubtful	91	91
	<b>889</b>	<b>1,039</b>
Less: Allowance for doubtful balances	(229)	(137)
	<b>660</b>	<b>902</b>

### B. Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with excise and other government authorities		
Considered good	424	606
Considered doubtful	252	182
Advances to suppliers		
Considered good	115	95
Considered doubtful	78	-
Prepaid expenses	139	216
	<b>1,008</b>	<b>1,099</b>
Less: Allowance for doubtful balances	(330)	(182)
	<b>678</b>	<b>917</b>

### 10. Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials and Packing materials [Including goods in transit INR 134 million (31 March 2020: INR 22 million)]	1,667	1,673
Work-in-progress	629	508
Finished goods [Including goods in transit INR 381 million (31 March 2020: INR 251 million)]	2,319	3,064
Stock-in-trade [Including goods in transit INR 36 million (31 March 2020: INR 38 million)]	72	38
Stores and spares	450	532
	<b>5,137</b>	<b>5,815</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### Notes:

- (a) Write-downs of inventories to net realisable value amounted to INR 706 million for the year (31 March 2020: INR 509 million). These were recognised as an expense during the year and included in 'Cost of material consumed' and 'Consumption of stores and spare parts' in the statement of profit and loss towards slow/non-moving/ expired inventory, being raw materials, packing materials, stores and spares and finished goods.
- (b) Inventories include inventory held by contract bottling units Nil (31 March 2020: INR 44 million), inventories held by job workers amounting to INR 710 million (31 March 2020: INR 961 million), inventories held by state beverage corporations amounting to INR 1,080 million (31 March 2020: INR 1,564 million) and inventories which are in transit to the state beverage corporations amounting to INR 381 million (31 March 2020: INR 329 million). The management has performed confirmation/ reconciliation of these inventory balances as at the year end.

### 11. Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
From Contracts with customers	5,574	5,643
	5,574	5,643
Less: Loss allowance	(1,788)	(1,255)
<b>Total trade receivables</b>	<b>3,786</b>	<b>4,388</b>

#### Details of securities/ categorisation of credit risk of trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Trade Receivables considered good - secured	-	-
Trade Receivables considered good - unsecured	5,574	5,643
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	5,574	5,643
Less: Loss allowance	(1,788)	(1,255)
<b>Total trade receivables</b>	<b>3,786</b>	<b>4,388</b>

Refer Note 41 for information about financial risk management.

### 12 A. Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Balances with banks		
In current accounts	402	720
In exchange earners foreign currency account	34	59
Deposits with maturity less than three months	80	-
	516	779

### 12 B. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Bank deposits due to mature within 12 months from the reporting date (refer note below)	-	14
	-	14

Note: Held as lien by bank against bank guarantees.



## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 13. Equity share capital

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Authorised</b>		
1,500,000,000 (31 March 2020: 1,500,000,000) equity shares of INR 10 each	15,000	15,000
<b>Issued, subscribed and fully paid up</b>		
616,577,878 (31 March 2020: 616,577,878) equity shares of INR 10 each	6,166	6,166

#### (a) Reconciliation of the number of equity shares outstanding:

Particulars	As at 31 March 2021		As at 31 March 2020	
	No of shares	Amount	No of shares	Amount
Balance at the beginning of the year	61,65,77,878	6,166	40,85,77,878	4,086
Add: equity shares issued during the year	-	-	20,80,00,000	2,080
<b>Balance at the end of the year</b>	<b>61,65,77,878</b>	<b>6,166</b>	<b>61,65,77,878</b>	<b>6,166</b>

#### (b) Rights, preferences and restrictions attached to equity shares

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

#### (c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	% of holding	No of shares	% of holding	No of shares
Anheuser Busch InBev Asia BV, Netherlands	75.49%	46,54,93,180	75.49%	46,54,93,180
Anheuser Busch InBev Breweries Private Limited, India	23.04%	14,20,76,253	23.04%	14,20,76,253

#### (d) Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Particulars	As at 31 March 2021	As at 31 March 2020
Anheuser Busch InBev Asia BV, Holding Company	46,54,93,180	46,54,93,180
Anheuser Busch InBev Breweries Private Limited, Fellow subsidiary	14,20,76,253	14,20,76,253
SABMiller India Holdings, Fellow subsidiary	55,90,817	55,90,817
Austindia Pty Ltd, Fellow subsidiary	16,51,174	16,51,174

(e) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments.

(f) During the period of five years immediately preceding 31 March 2021, no shares have been allotted as fully paid up by way of bonus shares or pursuant to contract(s) without payment being received in cash. Further, the Company has not bought back any shares during five immediately preceding financial years.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 14. Other equity

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Capital reserve</b>		
At the commencement of the year	(19)	(19)
<b>At the end of the year</b>	<b>(19)</b>	<b>(19)</b>
<b>Securities premium</b>		
At the commencement of the year	22,504	13,966
Add: Additions during the year	-	8,549
Less: Amount utilised for share issue expenses	-	(11)
<b>At the end of the year</b>	<b>22,504</b>	<b>22,504</b>
<b>Amalgamation adjustment reserve / (deficit) account</b>		
At the commencement of the year	(1,030)	(1,030)
<b>At the end of the year</b>	<b>(1,030)</b>	<b>(1,030)</b>
<b>General reserve</b>		
At the commencement of the year	1,218	1,218
<b>At the end of the year</b>	<b>1,218</b>	<b>1,218</b>
<b>Equity contribution by parent company in the form of Employee Stock Options (Refer Note 42)</b>		
At the commencement of the year	1,155	884
Add: Additions during the year	60	271
<b>At the end of the year</b>	<b>1,215</b>	<b>1,155</b>
<b>Retained earnings</b>		
At the commencement of the year	(23,378)	(16,510)
Add: Loss for the year	(7,053)	(6,773)
Add: Remeasurements of defined benefit obligation	45	(95)
<b>At the end of the year</b>	<b>(30,386)</b>	<b>(23,378)</b>
	<b>(6,498)</b>	<b>450</b>

#### Nature and purpose of other reserves:

##### Capital reserve:

Capital reserve represents Investment subsidy received from Government in prior years amounting to INR 2 million. Capital reserve is further reduced by INR 21 million towards excess of purchase consideration over the net assets acquired pursuant to the scheme of amalgamation of the Company (the "Transferee Company") with its wholly owned subsidiary - SPR Distilleries Private Limited ("Transferor Company") in accordance with the Appendix C to Ind AS 103 on "Business Combinations".

##### Securities premium:

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

##### Amalgamation adjustment reserve / (deficit) account:

The reserve represents amount debited pursuant to the scheme of amalgamation entered into during earlier years. The amount has been arrived as, the excess of carrying value of investments over the share capital of transferor company.

##### General reserve:

The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

##### Equity contribution by parent company in the form of ESOP:

This reserve is used to recognise employee shared based payments granted by the group companies. As there is no recharge to the company from the group companies, the same is treated as equity contribution by the parent company.

##### Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the total comprehensive income for the year is transferred from the Statement of Profit and Loss to the Retained Earnings account.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 15 Borrowings

#### A. Non-current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unsecured</b>		
Loans from related parties (refer note 32)		
- External Commercial Borrowings (ECB)	7,718	7,915
- Term loans	571	563
Less: Current maturities of Borrowings (Refer note 16B)		
- External Commercial Borrowings from related parties	(1,029)	(4,146)
- Term loans from related parties	-	(445)
	<b>7,260</b>	<b>3,887</b>

#### (a) Terms of repayment :

Particulars	Repayment terms	Interest rate, including terms of repayment
External commercial borrowings from related party (Anheuser Busch InBev Asia BV)	Refer Note (b) below	LIBOR 6M+2.35% and LIBOR 3M+2.35%, payable every quarter
Term loan from Crown Beers India Private Limited	Refer Note (c) below	9.5% per annum, payable on maturity
Term loan from SKOL Beer Manufacturing Company Limited	Refer Note (d) below	9% per annum, payable on maturity

#### (b) External commercial borrowings from related party (Anheuser Busch InBev Asia BV)

The Company has taken External Commercial Borrowings aggregating to USD 105 million (31 March 2020: USD 105 million) from Anheuser Busch InBev Asia BV, the Holding Company. Out of the total borrowings, the Company has defaulted on repayment of loans aggregating to USD 55 million which was due for repayment on or before 31 March 2021. Out of the above, the Company vide an agreement dated 29 July 2020 has agreed an extension from its Holding Company on the repayment date for borrowing aggregating to USD 41 million.

Refer table below for summary of revised repayment schedule as at 31 March 2021:

Due for repayment in financial year	As at 31 March 2021	As at 31 March 2021
2021-22 (*)	14	1,029
2022-23	50	3,675
2025-26	41	3,014
	<b>105</b>	<b>7,718</b>

Refer table below for summary of revised repayment schedule as at 31 March 2020:

Due for repayment in financial year	As at 31 March 2020	As at 31 March 2020
2020-21	14	1,055
2022-23	50	3,769
2025-26	41	3,091
	<b>105</b>	<b>7,915</b>

(\*) ECB of USD 14 million were due for repayment between January 2021 to March 2021 and no extension on the repayment date was sought by the Company.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Post year end, pursuant to the approval from members in the Extra-Ordinary General Meeting ('EGM') held on 30 November 2021 for issuance of 162,893,082 equity shares of INR 10 each at a premium of INR 37.70 per equity share aggregating to INR 7,770 million by way of conversion of the existing External Commercial Borrowings of USD 105 million, the Company has allotted the equity shares at the meeting of the Board of Directors held on 22 December 2021.

### (c) Term loan from Crown Beers India Private Limited

The Company has taken loan from Crown Beers India Private Limited, a fellow subsidiary amounting to INR 445 million (31 March 2020: INR 445 million) which was originally due for repayment on 1 May 2020. During the year, vide a letter dated 1 May 2020, the parties have agreed an extension on the repayment date to 31 May 2022. However, post year end on 27 December 2021, the Company has fully repaid this loan along with accrued interest.

### (d) Term loan from SKOL Beer Manufacturing Company Limited

The Company has taken loan from SKOL Beer Manufacturing Company Limited, a fellow subsidiary amounting to INR 126 million (31 March 2020: INR 118 million) which was originally due for repayment on 1 April 2022. Post year end, vide a letter dated 1 April 2022, the parties have agreed an extension on the repayment date for this loan. The revised repayment date is 31 March 2024.

- (e) The Company has entered into principal only swap arrangements with banks against a fixed interest payment in the range of 4.42% - 5.37% per annum in relation to the ECB from related party to the extent of USD 50 million (31 March 2020: USD 77 million). These arrangements have been accounted as derivative financial assets at fair value under note 7. Subsequent to the year end, in the month of December 2021, the Company has unwinded the said open swap arrangements.

## B. Current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unsecured</b>		
Working capital loan from banks	6,152	2,500
	6,152	2,500

(ii) Movements in debt:	ECB from related party (*)	ECB from Bank	Term loans from related parties (*)	Lease liabilities	Working capital loan	Cash and cash equivalents	Net Debt
	A	B	C	D	E	F	(A+B+C+D+E-F)
<b>Net debt as at 31 March 2019</b>	7,264	2,571	587	-	4,001	375	14,048
Recognised on adoption of Ind AS 116	-	-	-	412	-	-	412
<b>Net debt as at 1 April 2019 (restated)</b>	7,264	2,571	587	412	4,001	375	14,460
Cash flows	-	-	-	-	-	404	(404)
Acquisition- leases	-	-	-	104	-	-	104
Net proceeds from / (Repayment of) borrowings	-	(2,569)	(2)	-	(1,501)	-	(4,072)
Restatement of loan	651	(2)	-	-	-	-	649
Interest expense (refer note 25)	351	89	60	32	450	-	982
Interest paid	(351)	(89)	(14)	(32)	(450)	-	(936)
Principal lease payments	-	-	-	(110)	-	-	(110)

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

(ii) Movements in debt:	ECB from related party (*)	ECB from Bank	Term loans from related parties (*)	Lease liabilities	Working capital loan	Cash and cash equivalents	Net Debt
Net debt as at 31 March 2020	7,915	-	631	406	2,500	779	10,673
Cash flows	-	-	-	-	-	(263)	263
Acquisition- leases	-	-	-	1,001	-	-	1,001
Net proceeds from / (Repayment of ) borrowings	-	-	(2)	-	3,652	-	3,650
Restatement of loan	(197)	-	-	-	-	-	(197)
Interest expense (refer note 25)	224	-	56	58	225	-	563
Interest paid	(174)	-	-	(58)	(225)	-	(457)
Termination of lease	-	-	-	(74)	-	-	(74)
Principal lease payments	-	-	-	(177)	-	-	(177)
Net debt as at 31 March 2021	7,768	-	685	1,156	6,152	516	15,245

(\*) Includes accrued interest

### 16 Other financial liabilities

#### A. Other non-current financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Deposits received from contract bottlers	-	10
	-	10

#### B. Other current financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current maturities of long term borrowings (refer note 15A)		
- External Commercial Borrowings (ECB) from related parties (refer note 32)	1,029	4,146
- Term loan from related parties (refer note 32)	-	445
Interest accrued but not due to related parties (refer note 32)	163	68
Interest accrued but not due on currency swap contracts	10	21
Interest accrued and due on micro and small enterprises (refer note 37)	63	50
Capital creditors (also refer note 37)	355	467
Deposit from customers and del-credere agents	105	90
Employee benefits payable	140	93
Payable towards trade schemes	293	292
	<b>2,158</b>	<b>5,672</b>

Information about Company's exposure to interest rate, foreign currency and liquidity risks is included in note 41.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 17 Provisions

#### A. Non-current provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Employee benefits	-	
- Gratuity [Refer Note 33 (ii)]	175	203
	<b>175</b>	<b>203</b>

#### B. Current provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Employee benefits		
- Gratuity [Refer Note 33 (ii)]	18	21
- Compensated absences (refer note below)	93	76
Provision for indirect tax and other legal matters (refer note 38)	2,468	1,877
	<b>2,579</b>	<b>1,974</b>

Note:

The entire amount of the provision of INR 93 million (31 March 2020: INR 76 million) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

### 18 Other liabilities

#### A. Other non-current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Deferred royalty income	-	9
Deferred government grants (refer note 31)	59	69
	<b>59</b>	<b>78</b>

#### B. Other current liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Liability for excise duty on closing inventory (net of prepaid taxes)	466	676
Statutory liabilities	467	253
Contract liabilities (Advances from customers) (refer note below)	505	758
Deferred government grants (refer note 31)	9	11
Deferred royalty income	9	0
	<b>1,456</b>	<b>1,698</b>

Note:

Revenue recognised from amounts included in contract liabilities at the beginning of the year is INR 758 million (31 March 2020: INR 194 million)

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 19 Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Dues to Micro and Small enterprises (refer note 37)	70	262
Dues to creditors other than Micro and Small enterprises		
Dues to related parties (refer note 32)	763	325
Others	3,736	4,750
	4,499	5,075
	<b>4,569</b>	<b>5,337</b>

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 41.

### 20 Revenue from operations

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Revenue from contracts with customers:</b>		
Sale of products (includes excise duty)	27,235	33,073
Sale of services - Royalty income	30	21
	27,265	33,094
<b>Other operating revenue</b>		
Sale of spent malt and scrap	171	267
Sale of raw materials and packing materials	1,017	182
Duty draw back on exports	-	2
	1,188	451
	<b>28,453</b>	<b>33,545</b>

#### (a) Disaggregation of revenue from contracts with customers

Categories of products/services		
Beer	10,562	13,759
Non-alcoholic beverages (NAB)	362	243
Add: Excise duty collected from customers	16,341	19,092
<b>Revenue from sale of products</b>	<b>27,265</b>	<b>33,094</b>

(b) Performance obligation for sale of products in case of state beverage corporation markets is satisfied at a point in time on sale to retailers/distributors, and in case of other markets, the performance obligation is satisfied at a point in time on dispatch of products from the Company's or contract bottling units/warehouses.

### 21 Other income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income on fixed deposits held at amortised cost	2	27
Interest income on loans to related parties [refer note 32 and note 6A(i)]	-	6
Unwinding of discount on security deposits	2	2
Interest on income tax refund	5	-
Income from sub-lease (refer note 32)	12	13
Release of deferred government grants (refer note 31)	12	13
Liabilities no longer required written back	-	257
Miscellaneous income	34	112
	<b>67</b>	<b>430</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 22 Cost of materials consumed

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Raw materials and Packing materials consumed	6,593	9,964
	<b>6,593</b>	<b>9,964</b>

### 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Opening inventory:		
Finished goods	3,064	993
Work-in-progress	508	433
Stock-in-trade	38	-
<b>Total opening balance (A)</b>	<b>3,610</b>	<b>1,426</b>
Less: Excise duty on opening stock	(1,261)	(493)
(b) Closing inventory:		
Finished goods	2,319	3,064
Work-in-progress	629	508
Stock-in-trade	72	38
<b>Total closing balance (B)</b>	<b>3,020</b>	<b>3,610</b>
Less: Excise duty on closing stock	(989)	(1,261)
<b>Increase / (decrease) in excise duty on finished goods, net (C)</b>	<b>(272)</b>	<b>768</b>
<b>Total changes in inventories of finished goods, work-in-progress and stock-in-trade (A-B+C)</b>	<b>318</b>	<b>(1,416)</b>

### 24 Employee benefits expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	1,579	1,510
Contribution to provident and other funds [refer note 33(i)]	88	98
Gratuity [refer note 33(ii)]	42	23
Employee stock option expense (refer note 42)	60	271
Staff welfare expenses	93	149
	<b>1,862</b>	<b>2,051</b>

### 25 Finance costs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on borrowings at amortised cost		
- External Commercial Borrowings (ECB) from related parties (refer note 32)	224	351
- External Commercial Borrowings (ECB) from bank	-	89
- Working capital loan and overdrafts from banks	225	450
- Term loans from related parties (refer note 32)	56	60
Interest on derivative contracts	206	253
Interest charges on lease liabilities (refer note 4B)	58	32
Exchange fluctuation on foreign currency borrowings, net	(197)	651
Loss/(Gain) on fair valuation of financial instruments (*)	128	(608)



## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on micro and small enterprises (refer note 37)	13	18
Interest - others (indirect taxes, etc.)	321	91
	<b>1,034</b>	<b>1,387</b>

(\*) including realised gain on unwinding of derivative contracts of INR 212 million (31 March 2020: INR 90 million)

### 26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment (refer note 4A)	1,696	1,765
Depreciation of right-of-use assets (refer note 4B)	190	169
Amortisation of intangible assets (refer note 4D)	224	212
	<b>2,110</b>	<b>2,146</b>

### 27 Other expenses

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Consumption of stores and spare parts	420	489
Rent (refer note 4B)	73	58
Contract wages	512	453
Freight outward	898	1,320
Power and fuel	381	571
Selling and distribution charges	355	352
Advertisement and publicity	761	384
Rates and taxes	783	634
Legal, consultancy and professional charges	180	78
Auditors' remuneration (Refer note (a) below)	26	19
Travel and conveyance	151	174
Conversion charges paid to contract bottlers	273	414
Repairs and maintenance		
- buildings	90	94
- plant and machinery	160	150
- others	398	351
Insurance	21	6
Loss on disposal of property, plant and equipment (net)	20	9
Net foreign exchange differences	56	33
Allowance for doubtful non-financial assets	240	228
Net loss of termination of lease agreement (refer note 4B)	13	-
Miscellaneous expenses	207	235
	<b>6,018</b>	<b>6,052</b>

(a) Auditor's remuneration as below (\*):

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
As auditor		
- for statutory audit	25	19
Reimbursement of expenses	1	0
	<b>26</b>	<b>19</b>

(\*) Excluding goods and services tax

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### 28 Income tax

#### A. Amounts recognised in statement of profit and loss

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Current income tax:</b>		
Current income tax charge	-	-
Current tax pertaining to earlier years	-	(55)
	-	(55)
<b>Deferred tax:</b>		
Attributable to -		
Origination and reversal of temporary differences	-	-
	-	-
<b>Income tax expense reported in the statement of profit or loss</b>	<b>-</b>	<b>(55)</b>

#### B. Income tax recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Net (gain)/loss on remeasurement of defined benefit liability/ (assets)	-	-
<b>Income tax charged to OCI</b>	<b>-</b>	<b>-</b>

#### C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(Loss) before tax	(7,053)	(6,828)
Enacted tax rate in India (%)	34.944%	34.944%
Expected computed tax expense/(credit)	(2,465)	(2,386)
Less: Expenses that are not deductible in determining taxable profit	(27)	(103)
Unrecognised deferred tax expense/(credit) on tax losses	2,492	2,489
Adjustments in respect of current income tax of previous years	-	(55)
<b>Income tax expense</b>	<b>-</b>	<b>(55)</b>

#### D. Deferred tax balances as at year end comprise of the following:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Deferred tax liabilities:		
Difference between carrying amount of fixed assets in the financial statements and the income tax return.	1,687	1,592
Right-of-use of asset	413	160
<b>Total</b>	<b>2,100</b>	<b>1,752</b>
Deferred tax asset:		
Expenses allowable under the Income Tax Act, 1961 on payment basis	1,982	1,209
Lease liabilities	118	141
Unabsorbed depreciation for earlier years (refer note E below)	-	402
<b>Total</b>	<b>2,100</b>	<b>1,752</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### E. Unrecognised Deferred tax assets

The Company as at the year end has not recognised deferred tax asset on unabsorbed business losses/ depreciation and other temporary differences amounting to INR 7,699 million (31 March 2020: INR 6,328 million) as it is not probable that taxable profit will be available in foreseeable future against which the unabsorbed business losses/ depreciation and other temporary differences can be utilised. Deferred tax asset on these items has been recognised to the extent of deferred tax liabilities. Unabsorbed depreciation can be carried forward indefinitely. Business losses and other temporary differences can be carried forward for a period of 8 years from the year in which loss arose.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Business loss	6,091	5,458
Unabsorbed depreciation	15,108	12,651
<b>Total</b>	<b>21,199</b>	<b>18,109</b>

### 29 A Contingent liabilities

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Indirect tax matters		
(i) Sales tax	357	349
(ii) Excise	62	68
(iii) Service tax	719	719
(iv) Customs	0	0
B. Other civil litigations and claims	717	796

#### Notes:

##### a) Indirect tax matter

The Company has operations across various states in India. The Company has identified possible exposures relating to local sales tax, state excise duty, central excise duty, service tax and customs duty, based on demands from authorities. The amounts above represents tax demands and interest/penalties as per the orders but does not include any further interest or penalty as may be levied based on the final outcome of the order.

##### b) Other civil litigations and claims

Other civil litigations relate to various claims from third parties under dispute which are lying with various courts/ appellate authorities.

##### c) Provident fund

The Company has evaluated the impact of the Supreme Court Judgment in the case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" ("the judgement") and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation ("the circular") in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company has ensured compliance with the judgement and the circular for the period from April 2019. Further, based on the assessment of the Management, the aforesaid matter is not likely to have a significant impact on the financial statement and accordingly, no provision has been made in these financial statements for period prior upto March 2019.

##### d) Income tax

The Company has certain ongoing litigations in respect of income tax matters (including transfer pricing) for certain assessment years in various forums. In the event of an unfavourable outcome of these litigations, the

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

carried forward losses of the Company will accordingly reduce, thereby having effect on the subsequent tax assessments. The Company considers the possibility of any outflow as remote in this regard and hence, not been considered as a contingent liability.

### e) Use of Judgement

Management categorizes the matters based on the probability of cash outflow, which require judgement. Management obtains the views of external consultants where necessary. Based on the assessment, management recognises liability/ provision, or discloses the matter as a contingent liability, except for matters where the probability of outflow of cash is considered remote. Due to uncertainties involved in the process, actual outflows may be different from those originally estimated.

The Company may be involved in legal proceedings in respect of which it is not possible to make a reliable estimate of any expected settlement. In such cases, appropriate disclosure is provided but no provision is made and no contingent liability is quantified.

f) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities.

### 29 B Capital and other commitments

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Capital commitments for property, plant and equipment (net of advances)	254	841
(b) Other commitments:		
(i) Purchase of raw materials and packing materials	-	220

### 30 Loss per share

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Nominal value of equity shares (in INR)	10/-	10/-
(a) Loss attributed to equity holders of the Company	(7,053)	(6,773)
(b) Weighted average number of equity shares used as denominator	61,65,77,878	44,34,33,980
(c) Basic and diluted loss per share (in INR)	<b>(11.44)</b>	<b>(15.27)</b>

#### Note:

(a) There are no dilutive equity shares in the Company.

### 31 Government grant

The Company is entitled to receive grant from Government of Maharashtra under Package Scheme of Incentives, 2007 towards capital expansion of units set up in the developing region of the State of Maharashtra. As at 31 March 2021, the Company has received a cumulative total grant of INR 212 million (As at 31 March 2020: INR 212 million).

The Company recognises the grant to the Statement of Profit and Loss over the useful life of the asset in the proportion in which depreciation on related assets are charged. Accordingly a cumulative amount of INR 144 million (As at 31 March 2020: INR 132 million), including release during the year amounting to INR 12 million (As at 31 March 2020: INR 13 million), has been credited to the Statement of Profit and Loss during the year 31 March 2021.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

The unamortised amount of total grants received as at 31 March 2021 is INR 68 million (As at 31 March 2020: INR 80 million). There are no unfulfilled conditions or other contingencies attached to the grants that has been recognised.

### 32 Related party disclosures

#### A. Names of related parties and description of relationship

##### I. Parent entities

Name of the entity	Country of Incorporation
Anheuser Busch InBev SA/NV, Ultimate Holding Company	Belgium
Anheuser Busch InBev Asia B.V., Holding Company	Netherlands
Budweiser Brewing Company APAC Limited, Intermediate Holding Company	Cayman Islands

##### II. Entity having significant influence over the Company

Name of the entity	Country of Incorporation
Anheuser Busch InBev Breweries Private Limited (*)	India

(\*) also a fellow subsidiary

##### III. Fellow subsidiaries (with whom transactions have taken place during the current year or previous year)

Name of the entity	Country of Incorporation
SKOL Beer Manufacturing Company Limited	India
MBL Breweries Limited	India
SKOL Global Business Services Private Limited	India
Crown Beers India Private Limited	India
AB InBev GCC Services India Pvt Ltd	India
Anheuser Busch InBev USA LLC	United States of America
Anheuser - Busch InBev Procurement GmbH	Switzerland
Anheuser-Busch InBev Vietnam Brewery Company Limited	Vietnam
Oriental Brewery Co. Ltd.	South Korea
Anheuser-Busch InBev China Co., Ltd	China
Anheuser-Busch Inbev Sedrin (Zhangzhou) Brewery Co., Ltd.	China
SabMiller Plc.	United Kingdom
CUB Pty Ltd, Australia (till May 31, 2020)	Australia

##### IV. Employee Benefit Trusts

SKOL Breweries Ltd Emp Gratuity Fund Trust  
 Anheuser Busch InBev India Limited, Emp Gratuity Fund  
 Sab Miller India Ltd Employees Gratuity Trust Fund

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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Anheuser Busch InBev India Employee Superannuation Trust

### IV. Key management personnel of the entity

Kartikeya Sharma, Whole Time Director (from 4 September 2020)  
Mahesh Kumar Mittal, Whole Time Director (from 25 Feb 2021)  
Gagandeep Sethi, Whole Time Director (till 28 February 2021)  
Ben Verhaert, Whole Time Director (till 4 September 2020)  
Aastha Sharma, Chief Financial Officer (from 31 January 2022) (\*)  
Meeta Aggarwal, Chief Financial Officer (from 25 February 2021 till 31 January 2022) (\*)  
Cherian Kurien, Chief Financial Officer (till 25 February 2021) (\*)  
Mansi Bajaj, Company Secretary (from 29 March 2023) (\*)  
Aishwarya Sathish Kumar, Company Secretary (from 14 February 2022 till 30 September 2022) (\*)  
Nishi Vijayvargiya, Company Secretary (from 17 October 2019 till 28 August 2021) (\*)

(\*) Represents additional related parties as per Companies Act, 2013

### V. Independent directors

Sapna Taneja  
Rashmi Sharma (from 29 July 2020)  
Shantanu Krishna (from 15 March 2023)  
Aditya Vikram Jalan (from 31 January 2022 till 30 December 2022)  
Arun Monappa (till 29 July 2020)

### B. Summary of the transactions with related parties

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Sale of products to</b>		
- fellow subsidiaries	-	31
<b>Sale of raw materials to</b>		
- fellow subsidiaries	197	182
<b>Purchase of raw materials and packing materials from</b>		
- fellow subsidiaries	412	218
<b>Purchase of stock-in-trade from</b>		
- fellow subsidiaries	213	108
<b>Finance costs</b>		
- fellow subsidiaries	56	60
- parent entities	224	351
	<b>280</b>	<b>411</b>
<b>Loss allowance on financial assets - loans</b>		
- fellow subsidiaries	145	-
- entity having significant influence	2	-
	<b>147</b>	<b>-</b>
<b>Interest income</b>		
- fellow subsidiaries	-	6
- entity having significant influence	-	0
	<b>-</b>	<b>6</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Loss allowance on financial assets - Interest accrued but not due on loans</b>		
- fellow subsidiaries	0	-
- entity having significant influence	6	-
	<b>6</b>	<b>-</b>
<b>Income from sub-lease</b>		
- fellow subsidiaries	12	13
<b>Reimbursement of advertisement and publicity expenses</b>		
- fellow subsidiaries	419	-
<b>Term loans taken from</b>		
- fellow subsidiaries	-	250
<b>Term loans repaid to</b>		
- fellow subsidiaries	2	252
<b>Loans given to</b>		
- fellow subsidiaries	-	145
<b>Purchase of capital goods from</b>		
- fellow subsidiaries	-	35
<b>Legal, consultancy and professional charges</b>		
- fellow subsidiaries	163	-
<b>Reimbursement of expenses received from (Salaries and wages, Travel and conveyance, etc.)</b>		
- fellow subsidiaries	62	148
- parent entities	19	55
	<b>81</b>	<b>203</b>
<b>Reimbursement of expenses paid to (Salaries and wages, Travel and conveyance, etc.)</b>		
- fellow subsidiaries	47	83
<b>Contribution made for Gratuity and Superannuation</b>		
- Employee Benefit Trusts	8	2
<b>Employee stock option expenses in the nature of equity contribution by</b>		
- parent entities	60	254
- fellow subsidiaries	-	17
	<b>60</b>	<b>271</b>

**C. The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Financial asset - loans</b>		
- entity having significant influence	2	2
- fellow subsidiaries	145	145
	<b>147</b>	<b>147</b>
<b>Loss allowance for financial asset - loans</b>		
- entity having significant influence	2	-
- fellow subsidiaries	145	-
	<b>147</b>	<b>-</b>
<b>Financial asset - Interest accrued but not due</b>		
- entity having significant influence	0	0

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
- fellow subsidiaries	6	6
	<b>6</b>	<b>6</b>
<b>Loss allowance for financial asset - Interest accrued but not due on loans</b>		
- entity having significant influence	0	-
- fellow subsidiaries	6	-
	<b>6</b>	<b>-</b>
<b>Financial asset - Non-trade receivable</b>		
- entity having significant influence	-	6
- fellow subsidiaries	15	50
	<b>15</b>	<b>56</b>
<b>Financial liabilities - trade payables</b>		
- fellow subsidiaries	752	316
- parent entities	11	9
	<b>763</b>	<b>325</b>
<b>Capital creditors</b>		
- fellow subsidiaries	-	0
<b>Financial liabilities - External Commercial Borrowings</b>		
- parent entities	7,718	7,915
<b>Financial liabilities - Term loans</b>		
- fellow subsidiaries	571	563
<b>Financial liabilities - Interest accrued but not due</b>		
- fellow subsidiaries	113	68
- parent entities	50	-
	<b>163</b>	<b>68</b>
<b>D. Remuneration and sitting fee</b>		
<b>Remuneration to key management personnel:</b>		
Short-term employee benefits (*)	48	93
Post-employment benefits (*)	2	4
Employee share-based payments (**)	9	2
	<b>59</b>	<b>99</b>

(\*) As the employee benefits obligations such as gratuity, compensated absences and bonuses are provided for the Company as a whole, the amounts pertaining to individual Key Management Personnel are not included above on an accrual basis. Such, amounts are included on payment basis.

(\*\*) Based on options exercised during the year

### Sitting fees paid to Independent directors

#### E. Terms and conditions

Transactions with related parties are carried out in the normal course of business and are generally on normal commercial terms.

### 33 Employee benefit obligations

#### (i) Defined contribution plan:

Provident fund, Superannuation fund and Employee state insurance scheme: Eligible employees of the Company receive benefit under the provident fund and employee state insurance scheme which are defined contribution plans wherein both the employee and the Company make monthly contributions equal to a specified percentage of the covered employees' salary. In case of Superannuation fund, the Company make monthly contributions equal to a specified percentage of the covered employees' salary. These contributions are made to the fund administered and managed by the Government of India/Employee Benefit Trusts and the Company has no further obligation beyond making its contribution. The Company's monthly contributions are charged to the Statement of Profit and Loss in the period they are incurred.



## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

The expenses recognised during the period towards defined contribution plan are as below:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Provident fund	82	95
Superannuation fund	5	2
Employee state insurance scheme	1	1
<b>Total</b>	<b>88</b>	<b>98</b>

### (ii) Defined benefit plan

- A.** The Company has a defined benefit gratuity plan, governed by the Payment of Gratuity (Amendment) Act, 2018. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The obligation under the scheme is partially funded by contributions being made towards qualifying insurance policies obtained from the insurer.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status amounts recognised

### **B. Reconciliation of opening and closing balances of the present value of the defined benefit obligation (DBO):**

Particulars	As at 31 March 2021	As at 31 March 2020
Obligations at the beginning of the year	231	139
Included in Statement of Profit and Loss:		
- Current Service Cost	30	15
- Interest Cost	12	9
Included in Other comprehensive income:		
- Actuarial (gains)/ losses arising from changes in financial assumptions	2	47
- Actuarial (gains)/ losses arising from experience adjustments	(47)	45
Benefits settled	(27)	(24)
<b>Obligations at year end</b>	<b>201</b>	<b>231</b>

### **C. Reconciliation of opening and closing balances of the fair value of the plan assets:**

Particulars	As at 31 March 2021	As at 31 March 2020
Fair value of plans assets at the beginning of the year	7	13
Included in Other comprehensive income:		
- Actuarial (loss)/gain	0	(3)
Included in Statement of Profit and Loss:		
- Interest income on plan assets	1	1
Contributions	3	0
Benefits settled	(3)	(4)
<b>Fair value of plans assets at year end</b>	<b>8</b>	<b>7</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### D. Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the Balance sheet at the end of the year:

Particulars	As at 31 March 2021	As at 31 March 2020
Present value of defined benefit obligation at year end	201	231
Fair value of plan assets at year end	8	7
<b>Total Liability recognised in Balance sheet</b>	<b>193</b>	<b>224</b>
<b>Net liability:</b>		
- Non current (refer note 17A)	175	203
- Current (refer note 17B)	18	21
	<b>193</b>	<b>224</b>

### E. Expenses recognised in the Statement of profit and loss:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Cost for the year</b>		
Current Service cost	30	15
Net interest cost		
- Interest expense on DBO	13	9
- Interest (income) on plan assets	(1)	(1)
Total Net interest cost	12	8
<b>Net gratuity cost</b>	<b>42</b>	<b>23</b>

### F. Re-measurement effects recognised in Other comprehensive income (OCI):

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Actuarial (gains)/ losses arising from changes in financial assumptions	2	47
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	0
Actuarial (gains)/ losses arising from experience adjustments	(47)	45
Actuarial (gains)/ losses on plan assets	(0)	3
<b>Total actuarial (gain)/ loss included in OCI</b>	<b>(45)</b>	<b>95</b>

### G. Total cost recognised in Comprehensive Income

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Expense recognised in Profit and Loss (refer note 24)	42	23
Remeasurements effects recognised in OCI	(45)	95
<b>Total cost recognised in Comprehensive Income</b>	<b>(3)</b>	<b>118</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

### H. Major categories of plan assets as a percentage of the fair value of total plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Qualifying insurance policies from the insurer	100%	100%

### I. Actuarial assumptions

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Discount rate (per annum)	6.00%	6.20%
Salary escalation rate	9.80%	9.80%
Retirement age	58-60 Years	58-60 Years
Attrition rate	14.30%	14.30%
Mortality table	IALM (2006-08) Ultimate table (*)	IALM (2006-08) Ultimate table (*)

\*IALM: Indian Assured Lives Mortality

The discount rate applied is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics.

### J. Sensitivity analysis

Any reasonable change in the assumptions are not expected to have a material effect on the net defined benefit obligations.

### K. Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans and these are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Change in bond yields	A decrease in yields of government securities will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.
Inflation Risk	Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the Obligation at a rate that is higher than expected.
Life Expectancy	The plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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### L. Defined benefit liability

The weighted average duration of the defined benefit obligation is 5 years (31 March 2020: 5 years). The expected maturity analysis of undiscounted gratuity is as follows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Less than a year	27	30
Between 1 -2 years	27	35
Between 2 - 5 years	94	110
Between 5 - 10 years	183	208

Note: The above details on expected maturity analysis of undiscounted gratuity payments are restricted upto 10 years.

### 34 Details of inter- corporate loans given

#### (a) Terms and conditions on which inter-corporate loans have been given:

Party name	Repayment terms	Interest rate per annum	Purpose
Anheuser Busch InBev Breweries Private Limited	Not repayable before 31 May 2022	9.0%	General
SKOL Global Business Services Pvt Ltd	Not repayable before 1 May 2022	9.5%	General

#### (b) Reconciliation of inter-company loans given as at the beginning and as at the end of the year:

Particulars	As at 31 March 2021	As at 31 March 2020
<b>(i) Anheuser Busch Inbev Breweries Private Limited</b>		
At the commencement of the year	2	2
Add: Loans given during the year	-	-
Less: Loans repaid during the year	-	-
At the end of the year	<b>2</b>	<b>2</b>
<b>(ii) SKOL Global Business Services Pvt Ltd</b>		
At the commencement of the year	145	-
Add: Loans given during the year	-	145
Less: Loans repaid during the year	-	-
At the end of the year	<b>145</b>	<b>145</b>

### 35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise shareholder value.

The Company monitors capital using net debt to equity ratio. For this purpose, net debt includes all non-current and current borrowings reduced by cash and cash equivalents. Equity comprises all components of equity. The Company's net debt to equity ratio as at 31 March 2021 and 31 March 2020 are as follows:

Particulars		As at 31 March 2021	As at 31 March 2020
Total debt	(a)	15,761	11,452
Less: Cash and cash equivalents	(b)	(516)	(779)
Net debt	(c) = (a) - (b)	15,245	10,673
Total equity	(d)	(332)	6,616
<b>Net debt to equity ratio</b>	(c) / (d)	<b>(45.92)</b>	<b>1.61</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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### 36 Segmental information

The Company is primarily engaged in the business of brewing, packaging distribution, marketing and sale of beer and non alcoholic beverages. The CODM reviews the Company's performance and allocates resources for the business of the Company at an overall level as a single business segment and not at any other disaggregated level. Accordingly, disclosures for operating segment as envisaged in Ind AS -108 (Operating Segments) are not applicable to the Company.

Additional disclosures as required under Ind AS-108 are as below-

#### (i) Revenue from external customers (gross of excise duty) (\*)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
India	27,838	32,740
Other countries	615	805
<b>Total</b>	<b>28,453</b>	<b>33,545</b>

\* Disclosure is based on the location of the customer.

#### (ii) Non-current assets (\*)

Particulars	As at 31 March 2021	As at 31 March 2020
India	14,354	15050
Other countries	-	-
<b>Total</b>	<b>14,354</b>	<b>15050</b>

\*Non-current assets include property, plant and equipment, right-of-use assets, capital work-in-progress, intangible assets and Other non-current assets

#### (iii) Revenue from major customers

Revenue from two customers (31 March 2020: three customers) of the Company for the year ended 31 March 2021 is INR 9,791 million (31 March 2020: INR 17,782 million) which are individually more than 10 percent of the Company's total revenue.

### 37 Dues to Micro, small and medium enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below:

Particulars	As at 31 March 2021	As at 31 March 2020
(a) Amounts remaining unpaid to Micro Enterprises and Small Enterprises as at the end of the year:		
Trade payables		
- Principal	70	262
- Interest due thereon	1	6
Capital creditors		
- Principal	33	-
- Interest due thereon	1	-
(b) Amounts paid to Micro Enterprises and Small Enterprises beyond appointed date during the year:		
- Principal	189	271
- Interest due thereon	-	-

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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Particulars	As at 31 March 2021	As at 31 March 2020
(c) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	11	12
(d) Amount of interest accrued and remaining unpaid as at the end of year	63	50
(e) Amount of further interest due and payable even in the succeeding year until such date when the interest dues as above are actually paid	-	-

### Note:

The Government of India has issued notification on 26 June 2020 giving revised guidelines and limit for classification of enterprises among Micro, Small and Medium, under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) effective from 1 July 2020. Consequent to the new guidelines giving revised limits for classification of enterprises among Micro, Small and Medium, the Company does not have the complete information regarding suppliers/vendors, attracting the provisions of the MSMED Act. Therefore, disclosure of the information in accordance with the Section 22 of the MSMED Act and Schedule III of the Companies Act, 2013 provided above and accounting for interest under Section 16 of the MSMED Act, are determined to the extent such parties have been identified by the Management. The Company in the process of compiling the required information as per the provisions of MSMED Act, for appropriate accounting and presentation and disclosure.

### 38 Provision for indirect tax and other legal matters

The provision is based on management's assessment of possible exposure and in certain cases, based on advice obtained by the Company from external legal counsel. The time frame of utilisation of the provision is determined by the course of the legal proceedings.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Provision for indirect-tax cases</b>		
Opening balance	1,715	1,280
Add: Addition/(reversals) during the year - net	469	435
Less: Amounts utilised during the year	(50)	-
<b>Closing balance</b>	<b>2,134</b>	<b>1,715</b>
<b>Provision for water charges</b>		
Opening balance	61	61
Add: Addition/(reversals) during the year - net	-	-
Less: Amounts utilised during the year	-	-
Closing balance	61	61
Provision for legal cases		
Opening balance	101	42
Add: Addition/(reversals) during the year - net	172	59
Less: Amounts utilised during the year	-	-
Closing balance	<b>273</b>	<b>101</b>
	<b>2,468</b>	<b>1,877</b>

#### Provision for indirect-tax cases

Provisions are made for certain litigations against the Company relating to Excise, Sales tax, Service tax and Customs duty related matters and stamp duty on various amalgamations effected through court orders in earlier years.

#### Provision for water charges

The Maharashtra Industrial Development Corporation ('MIDC') had, vide order number EE/E&M/785/2005 dated 25 May 2005, made a demand for increase in water charges with retrospective effect from 1 November 2001. Waluj

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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Industries Association ('the Association'), of which the Company is a member has filed a writ petition against such demand in the Honourable High Court of Bombay. The Honourable High Court of Bombay has passed an order against the appeal and has directed the Association to release the demand amount with retrospective effect. Accordingly, the Company has made the payment of the principal amount outstanding. However, with respect to interest for which the above provision is recognised, the Association has given a representation on behalf of the Company for waiver of interest demanded by MIDC. The matter is currently pending final settlement.

### Provision for legal cases

Certain litigations are in process against the Company relating to labour cases, industrial disputes and other civil matters. This also includes provision made for certain non-compliances with the provisions of the Companies Act, 2013. The provisions are utilised to settle previously anticipated and determined adverse outcomes of legal cases against the Company.

Provision is made for probable cash outflow arising out of pending or potential indirect tax disputes and other litigations. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above Indirect tax and legal matters.

### 39 Internal Financial Controls with Reference to the Financial Statements

The Company is in the process of carrying out a detailed exercise to review the current business processes including Information Technology dependencies, review the design and effectiveness of its internal financial controls with reference to the financial statements including its documentation and retention policy of related evidences vis à vis the criteria 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 Institute of Chartered Accountants of India ("ICAI") and assess gaps, if any, for remediation.

### 40 Fair value measurements

#### (i) Financial instruments by category

Financial assets	Note	As at 31 March 2021	As at 31 March 2020
<b>Financial assets measured at fair value through profit and loss ("FVTPL")</b>			
Investments measured at FVTPL	5	-	-
Derivative financial asset	7	471	811
<b>Financial assets measured at amortised cost</b>			
Investments measured at amortised cost	5	-	-
Trade receivables	11	3,786	4,388
Cash and cash equivalents	12A	516	779
Loans	6	55	310
Other financial assets (Other than derivatives)	7	125	144
<b>Total financial assets</b>		<b>4,953</b>	<b>6,432</b>
Financial liabilities	Note	As at 31 March 2021	As at 31 March 2020
<b>Financial liabilities measured at amortised cost</b>			
Borrowings (*)	15	14,605	11,046
Trade payables	19	4,569	5,337
Other financial liabilities (Other than derivatives)	16	1,129	1,091
<b>Total financial liabilities</b>		<b>20,303</b>	<b>17,474</b>

(\*) includes current maturities of borrowings and accrued interest.

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### (ii) Fair Value Hierarchy

To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level are provided as below:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. There are no financial instruments which needs to be measured at fair value at level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There are no transfers between Level 1, Level 2 and Level 3 during the year. The Company's policy is to recognise transfer into and transfers out of fair value hierarchy levels as at the end of the reporting period.

### (iii) Valuation technique used for fair valuation

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following table shows the valuation techniques used in measuring Level 1 and Level 2 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Type	Level	Valuation Technique	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Principal only swap (derivatives)	Level 2	The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing principal only swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the entity and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable	Not applicable
Investments	Level 1 and Level 2	The fair value of investments is based on quoted prices and on market observable inputs.	Not applicable	Not applicable



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### (iv) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The significant level 3 inputs for determining the fair values of security deposits are discount rates using a long-term bank deposit rate as applicable to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

### (v) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of borrowings and security deposits are considered to be the same as their fair values since there has been no significant change in the interest rates since inception of these financial instruments.

The fair values for security deposits were calculated based on cash flows discounted using a long-term bank deposit rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

## 41 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis Credit ratings of banks	Diversification of bank deposits, credit limits control
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting, Sensitivity analysis	Continuous monitoring of cash flows forecast for foreign transactions
Market risk - interest rate risk	Borrowings at floating rates	Sensitivity analysis of interest rates	Monitoring of changes in interest rates

### (a) Credit risk

#### Trade receivables:

Company's Credit policy provides guidance to keep the risk of credit sales within an acceptable level. The Company's management monitors and reviews credit limits, overdue trade receivables, provisioning and write-off of credit impaired receivables.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

(All Amounts in INR Millions unless otherwise stated)

Trade receivables are typically unsecured and are derived from revenue earned from two main classes of markets, receivable from sales in state beverage corporation markets and receivables from sales in other markets.

The Company uses age based provision matrices for each category of customers which are applied to receivables and accordingly makes allowances.

As at 31 March 2021	Not due	0-6 months	6 months-1 year	More than 1 year	Total
Gross carrying amount - trade receivables	3,082	227	389	1,876	5,574
Expected credit losses - trade receivables	(20)	(23)	(195)	(1,550)	(1,788)
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>3,062</b>	<b>204</b>	<b>194</b>	<b>326</b>	<b>3,786</b>

As at 31 March 2020	Not due	0-6 months	6 months-1 year	More than 1 year	Total
Gross carrying amount - trade receivables	3,120	230	394	1,899	5,643
Expected credit losses - trade receivables	(14)	(16)	(137)	(1,088)	(1,255)
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>3,106</b>	<b>214</b>	<b>257</b>	<b>811</b>	<b>4,388</b>

Movement in loss allowances for trade receivables is provided below:

Particulars	31 March 2021	31 March 2020
Balance at the beginning of the year	1,255	631
Loss allowance (net)	546	624
Less: Bad debts written off during the year	(13)	-
<b>Balance at the end of the year (refer note 11)</b>	<b>1,788</b>	<b>1,255</b>

### Loans, Investments and other financial assets:

Other financial assets' includes balances with banks, receivable under contract bottling arrangements, loans and interest accrued on such loans.

The Company recognises allowances using expected credit loss method on Other financial assets. Such allowances are measured considering 12-month expected credit loss, based on management's assessment of credit risk. Assets are written-off where there is no reasonable expectation of recovery. Where the loans or receivables are written-off the Company continues to engage in enforcement activity to attempt to recover the amounts due. Where recoveries are made, these are recognised in profit or loss.

Movement in loss allowances for financial assets other than for trade receivables during the reporting period is provided below:

Particulars	31 March 2021	31 March 2020
Balance at the beginning of the year	575	265
Loss allowance (net)	237	310
<b>Balance at the end of the year (refer note 6 and 7)</b>	<b>812</b>	<b>575</b>
<b>Loss allowance on trade receivables and other financial assets (net) charged to Statement of Profit and Loss</b>	<b>783</b>	<b>934</b>

### (b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. the Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### Financing arrangements

The Company has access to the following undrawn borrowing facilities as at end of the reporting period:

Particulars	As at 31 March 2021	As at 31 March 2020
Floating rate	9,025	4,971
Cash credit/ working capital loans		

The above facilities may be drawn at any time and such borrowings are repayable on demand.

### (c) Market

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage foreign exchange risk relating to borrowings.

#### (i) Foreign exchange risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which borrowings, trade payables, capital creditors, payable to related parties, trade receivables and balances with banks are denominated and the functional currency of the Company. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are US dollars (USD) and Euros (EUR).

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk in INR millions is as follows:

Particulars	As at 31 March 2021							Total
	USD	EUR	GBP	CNY	KRW	AUD	VND	
<b>Financial assets</b>								
Trade receivables	65	-	-	-	-	-	-	65
Balances with banks	34	-	-	-	-	-	-	34
Non-trade receivable from related parties	15	-	-	-	-	-	-	15
Currency swap contracts	3,662	-	-	-	-	-	-	3,662
<b>Exposure to foreign currency risk (assets)</b>	<b>3,776</b>	-	-	-	-	-	-	<b>3,776</b>
<b>Financial liabilities</b>								
External Commercial Borrowings from related parties	7,718	-	-	-	-	-	-	7,718
Trade payables	225	50	0	3	86	0	4	368
Other current financial liabilities (capital creditors)	27	14	-	-	-	-	-	41
<b>Exposure to foreign currency risk (liabilities)</b>	<b>7,970</b>	<b>64</b>	<b>0</b>	<b>3</b>	<b>86</b>	<b>0</b>	<b>4</b>	<b>8,127</b>
<b>Net exposure</b>	<b>(4,194)</b>	<b>(64)</b>	<b>(0)</b>	<b>(3)</b>	<b>(86)</b>	<b>(0)</b>	<b>(4)</b>	<b>(4,351)</b>

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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Particulars	As at 31 March 2020							Total
	USD	EUR	GBP	CNY	KRW	AUD	VND	
<b>Financial assets</b>								
Trade receivables	43	-	-	-	-	-	-	43
Balances with banks	59	-	-	-	-	-	-	59
Non-trade receivable from related parties	35	-	-	-	-	-	-	35
Currency swap contracts	5,805	-	-	-	-	-	-	5,805
<b>Exposure to foreign currency risk (assets)</b>	<b>5,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,942</b>
<b>Financial liabilities</b>								
External Commercial Borrowings from related parties	7,915	-	-	-	-	-	-	7,915
Trade payables	387	206	0	108	-	1	-	702
Other current financial liabilities (capital creditors)	38	10	-	-	-	-	-	48
<b>Exposure to foreign currency risk (liabilities)</b>	<b>8,340</b>	<b>216</b>	<b>0</b>	<b>108</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>8,665</b>
<b>Net exposure</b>	<b>(2,398)</b>	<b>(216)</b>	<b>(0)</b>	<b>(108)</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>(2,723)</b>

### Sensitivity analysis

A reasonably possible change of 5% (500 basis points) in exchange rates at the reporting date would have increased/(decreased) equity and profit and loss by the amounts shown below.

Particulars	Impact on loss after tax [Increase/(decrease)]		Impact on other equity [Increase/(decrease)]	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	5% increase in exchange rate	(218)	(136)	218
5% decrease in exchange rate	218	136	(218)	(136)

### (ii) Interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

#### Exposure to interest rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period, the Company had the following variable rate borrowings:

Particulars	As at 31 March 2021	As at 31 March 2020
External commercial borrowings from related party	7,718	7,915
<b>Net exposure to cash flow interest rate risk</b>	<b>7,718</b>	<b>7,915</b>

### Sensitivity analysis

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 1% (100 basis points) in interest rates at the reporting date would have increased/(decreased) equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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Particulars	Impact on loss after tax [Increase/(decrease)]		Impact on other equity [Increase/(decrease)]	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
5% increase in interest rate	77	79	(77)	(79)
5% decrease in interest rate	(77)	(79)	77	79

### Maturities of financial liabilities

The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Contractual maturities of non derivative financial liabilities	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
<b>31 March 2021</b>						
Borrowings (*)	14,605	15,012	7,188	4,278	3,546	-
Trade payables	4,569	4,569	4,569	-	-	-
Lease liabilities	1,156	1,411	328	320	763	-
Other financial liabilities	1,129	1,129	1,129	-	-	-
	<b>21,460</b>	<b>22,121</b>	<b>13,214</b>	<b>4,598</b>	<b>4,309</b>	<b>-</b>
<b>31 March 2020</b>						
Borrowings (*)	11,046	11,332	7,141	-	4,191	-
Trade payables	5,337	5,337	5,337	-	-	-
Lease liabilities	406	465	153	143	163	6
Other financial liabilities	1,091	1,091	1,081	10	-	-
	<b>17,880</b>	<b>18,225</b>	<b>13,712</b>	<b>153</b>	<b>4,354</b>	<b>6</b>

(\*) includes current maturities of borrowings and accrued interest.

### 42 Share based payments arrangements

"Different share and share option programs allow certain employees of the Company to receive or acquire shares of Anheuser Busch InBev SA/NV, the ultimate holding Company and Budweiser Brewing Company APAC Limited, a fellow subsidiary.

Anheuser Busch InBev India Limited has four primary share-based compensation plans, the share-based compensation plan ("ShareBased Compensation Plan"), the discretionary long-term incentive stock option plan ("LTI Stock Option Plan"), the People bet plan ("PB Plan") and the discretionary restricted stock units plan ("RSU Plan"). For all option plans, the fair value of share-based payment compensation is estimated at grant date, using a binomial Hull model, modified to reflect the Ind AS 102 Share-based Payment requirement that assumptions about forfeiture before the end of the vesting period cannot impact the fair value of the option.

In December 2019, a new discretionary Restricted Stock Units plan was set up by Budweiser Brewing Company APAC Limited which allows for the offer of restricted stock units (the "RSUs") to certain eligible employees in certain specific circumstances, at the discretion of the Board, e.g. as a special retention incentive. The RSUs vest after five years and in the event that an employee's service is terminated before the vesting date, special forfeiture rules apply. Further, in March 2020, a program was set up by Budweiser Brewing Company APAC Limited allowing for certain eligible employees to purchase Budweiser APAC shares at a discount which is aimed at providing a long-term retention incentive for high-potential eligible employees of the Company, who are at a mid-manager level ("People bet share purchase program"). In November 2020, a new restricted stock units plan was set up by Budweiser Brewing Company

## Notes to the Financial Statements as of and for the year ended 31 March 2021

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APAC Limited which allows for the offer of RSUs to certain eligible employees in certain specific circumstances, at the discretion of the Board, e.g. as a long term incentive. The vesting period of the RSUs is in principle 5 years.

All the company sharebased payment plans are equity-settled.”

The expense recognised for Share based payments arrangements for the year is INR 60 million (31 March 2020: INR 271 million). As there is no recharge expected from the group, the entire expense has been shown as ‘Equity contribution by parent company in the form of Employee Stock options.

### Employee stock option plan:

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Number	WAEP (USD)	Number	WAEP (USD)
Outstanding at beginning of the year	7,85,507	54.49	3,57,919	93.57
Granted during the year	8,02,299	23.20	5,01,670	32.51
Forfeited during the year	-	-	(12,176)	98.30
Exercised during the year	(12,968)	118.19	(18,682)	103.08
Changes on account on employee movement	(5,00,785)	61.20	(43,224)	89.48
Outstanding at the end of the year	10,74,053	27.22	7,85,507	54.49

Significant assumptions used for fair valuation of ESOPs are:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Stock options:		
Expected term	5 years	5 years
Risk-free interest rates	1.0%	0.38% to 0.69%
Expected volatility	25.0%	25.0%
Expected dividend yield	1.0%	1.0%

### Restricted Stock Units:

The following table illustrates the movements in number of RSU share awards during the year.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Outstanding at beginning of the year	3,60,979	27,579
Granted during the year	10,44,558	3,50,253
Forfeited during the year	-	(1,730)
Exercised during the year	(9,887)	(6,563)
Changes on account on employee movement	(1,30,190)	(8,560)
Outstanding at the end of the year	12,65,460	3,60,979

The weighted average remaining contractual life for the RSU outstanding as at 31 March 2021 was 4 years (31 March 2020: 4 years).

The company measures and recognises stock based compensation for all stock-based awards, including restricted stock units (RSU’s), based on their estimated fair value on grant date, and recognise the costs in financial statements over the vesting period.

The fair value of employee time-based RSUs is equal to the market value of common stock on the grant date of award.

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### 43 Offsetting of financial assets and financial liabilities

The Company gives volume-based incentives and rebates to certain customers. Amounts payable by Company are offset against receivables from such customers and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet. Details of such offset is given in the below table.

#### 31 March 2021

Particulars	Effects of offsetting on the balance sheet		
	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet
Financial assets			
- Trade receivables	5,122	(1,336)	3,786
Financial liabilities			
- Other current financial liabilities	3,494	(1,336)	2,158

#### 31 March 2020

Particulars	Effects of offsetting on the balance sheet		
	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet
Financial assets			
- Trade receivables	5,207	(819)	4,388
Financial liabilities			
- Other current financial liabilities	6,491	(819)	5,672

### 44 Corporate Social Responsibility expenditure (“CSR”)

The provisions of Section 135(1) of Companies Act, 2013 with respect to mandatory CSR expenditure is not applicable to the Company for the current and the previous year, as a consequence of losses incurred for both the years.

### 45 Proposed scheme of Amalgamation of the Company with Crown Beers India Private Limited:

The Board of Directors (“Board”) of Crown Beers India Private Limited (“Crown” or the “Transferor Company”), a fellow subsidiary, and the Company (the “Transferee Company”) at their respective meetings held on 23 November 2018 considered and approved a scheme of amalgamation and arrangement (the “Scheme”) in relation to the proposed merger of Crown with the Company under Sections 230 to 232 and the other applicable provisions of the Companies Act, 2013 and the rules thereof.

The parties had filed the necessary documents with the National Company Law Tribunal, Hyderabad (NCLT Hyderabad) and National Company Law Tribunal, Mumbai (NCLT, Mumbai) in November 2018.

The NCLT Hyderabad vide its order dated 31 May 2022 had rejected the petition filed by the Transferor Company with liberty to file a fresh scheme. The Transferor Company had filed an appeal with the National Company Law Appellate Tribunal, Chennai (NCLAT Chennai) against the order of the NCLT Hyderabad which was dismissed vide order dated 18 January 2023. The transferor and the transferee Company have decided to withdraw the scheme. Consequently, the hearing with the NCLT Mumbai was held on 11 May 2023 and vide an order from the NCLT Mumbai, the scheme application stands withdrawn.”

### 46 Matters relating to Companies Act, 2013 ( the “Act”)

#### (a) Delay in holding the Annual General Meeting (“AGM”)

As required under Section 129 of the Act, financial statements for the years ended 31 March 2018, 31 March 2019, 31 March 2020 and 31 March 2021 could not be laid before the shareholders in the Annual General Meeting held by the Company pursuant to Section 96 of the Act within the stipulated time and consequentially there was a delay in filing annual return under Section 92 of the Act and financial statements with the authorities under Section 137 of the Act.

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### (b) Non-compliance with certain Secretarial Standards with respect to general and Board meetings

The Company has not complied with certain secretarial standards with respect to Board meetings as specified under Section 118 of the Act.

### (c) Constitution of the Board of Directors, CSR Committee, Audit Committee and Nomination and Remuneration Committee

The Company had appointed an Independent Director during the year ended 31 March 2019 for a third term, thereby the appointment of the said independent director was not in compliance with the requirements of Section 149 of the Act. Further, the Company had also not complied with the requirements of Section 152 of the Act in respect of retirement of directors by rotation at every annual general meeting. Consequently, the Board of Directors of the Company and the related CSR Committee, Audit Committee and Nomination and Remuneration Committee required to be formed pursuant to Sections 135, 177 and 178 of the Act read with Section 172 of the Act and Schedule IV of the Act were not constituted in compliance with the Act during the period from 1 April 2018 to 29 July 2020. On 29 July 2020, the Board and its related Committees have been constituted appropriately and all the matters and resolutions approved by the said Board and its related Committees during the said period, have been ratified and affirmed. Subsequent to the year end, the Company has filed application for compounding the offences with the Registrar of Companies (ROC), Mumbai and is currently awaiting a response.

### (d) Constitution of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board was constituted with less than three non-executive directors which was not in compliance with the requirements of Section 178 of the Act read with Section 161 and Rule 6 of the Companies (Meetings of Board and its powers) Rules, 2014. Subsequent to the year end on 31 January 2022, the Nomination and Remuneration Committee has been constituted appropriately. Further, the Company has filed application for compounding the offence with the Registrar of Companies (ROC), Mumbai and is currently awaiting a response.

### (e) Appointment of a Whole-time Director

The Company had appointed a non-resident Whole-time Director on 19 March 2019 during the period from 27 November 2017 to 4 September 2020. The said appointment was not in accordance with the provisions of the Section 196 read with Schedule V of the Act. Subsequent to the year, the Company has filed an application for compounding of the offence with the ROC Mumbai and is currently awaiting a response.

### (f) Managerial remuneration

The managerial remuneration for the financial year ended 31 March 2021 aggregating to INR 16 million paid to a Whole-time Director includes an amount of INR 4 million paid in excess of the limits prescribed under the provisions of Section 197 read with Schedule V to the Act. In line with requirements of Section 197 of the Act, the Company would consider this matter for approval at the ensuing Annual General Meeting of the Company.

### (g) Approval of the Audit Committee for transactions with a related party

The Company had obtained an omnibus approval for certain transactions with a related party amounting to INR 750 million. However, during the year, the aggregate of these transactions with the related party exceeded the approval limit by INR 306 million. These transactions have been taken on record by the Audit Committee subsequent to the year end.

The Company has estimated potential fines/ penalties in respect of the above matters and made adequate accrual in the books of account as at 31 March 2021.

- 47 The Company has foreign currency payables as at 31 March 2021 amounting to INR 43 million which are outstanding for a period exceeding six month and INR 130 million outstanding for a period exceeding three years from the date of import, included under Note 19 'Trade payables' and Note 16B 'Capital creditors'. As per the Reserve Bank of India (RBI), Master Direction No. 17/2016-17 dated January 1, 2016 (as amended), the remittances against import of goods or services should be settled no later than six months from the date of import of goods or services. Subsequent to the year end, the Company has filed an application with the RBI through Authorised Dealer bank (AD) seeking approval to write back an amount of INR 120 million payable to group companies which was outstanding for a period exceeding three years and paid INR 12 million which was outstanding for a period exceeding six months but less than three years



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(All Amounts in INR Millions unless otherwise stated)

as at the year end. For the remaining balances, the Company is in the process of seeking requisite approval to remit/adjust the overdue amounts from the AD / RBI. Any penalties that may be levied by the RBI/AD and/or any impact on the financial statements in this regard would not be material to the financial statements and accordingly no provision for the same has been made.

### 48 Outbreak of COVID-19

"In view of COVID-19, the Company has considered various internal and external information available up to the date of approval of financial statements in assessing all the possible impact of COVID-19 pandemic in the financial statements for the year ended 31 March 2021 and have concluded that COVID-19 pandemic does not have any further impact or uncertainty on the operations of the Company.

As at the year end, management has assessed the carrying amounts of property, plant and equipment, trade receivables, inventory and other assets and has concluded that no further adjustments are required to be made in respect of such assets/ liabilities as at 31 March 2021."

### 49 Subsequent events

a) Pursuant to the approval from members in the Extra-Ordinary General Meeting ('EGM') held on 30 November 2021 for issuance of 117,925,000 equity shares of INR 10 each at a premium of INR 37.70 per equity share aggregating to INR 5,625 million by way of a cash consideration, the Company has allotted the equity shares at the meeting of the Board of Directors held on 22 December 2021.

b) Pursuant to the approval from members in the Extra-Ordinary General Meeting ('EGM') held on 2 March 2023 for issuance of 31,026,843 equity shares of INR 10 each at a premium of INR 56.00 per equity share aggregating to INR 2,048 million by way of a cash consideration, the Company has allotted the equity shares at the meeting of the Board of Directors held on 15 March 2023.

Also refer Note 4A(viii), 6A(i), 15A.

For **Price Waterhouse &  
Co Chartered Accountants LLP**  
Firm Registration Number: 304026E/ E-300009

For and on behalf of the Board of Directors

**Amit Kumar Agrawal**

Partner

Membership number: 064311

Place: Bengaluru

Date: 18 July 2023

**Sapna Taneja**

Director

DIN: 07032173

**Kartikeya Sharma**

Director

DIN: 07728620

**Mansi Bajaj**

Company Secretary

**Aastha Sharma**

Chief Financial Officer

Place: Bengaluru

Date: 18 July 2023





Anheuser Busch InBev India Limited  
(Formerly known as SABMiller India Limited)  
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