



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

ANNUAL REPORT
2021-2022





A FUTURE WITH MORE CHEERS



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General Information for Annual Report 2021-22

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
Mr. Aditya Kumar Jalan, Non-Executive 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
Ms. Rashmi Sharma
Ms. Aishwarya Sathish Kumar

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
Mr. Aditya Kumar Jalan

Corporate Social Responsibility Committee

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

Notice

NOTICE OF THE THIRTY-THIRD ANNUAL GENERAL MEETING

Notice is hereby given that the **33rd** (Thirty Third) Annual General Meeting (“**AGM**”) of the members of the Anheuser Busch Inbev India Limited (“the **Company**”) will be held on **Wednesday, July 10, 2024, at 12:00 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, 2022, together with the Reports of the Board of Directors and Auditors thereon.**
2. **To appoint a director in place of Mr. Kartikeya Sharma (DIN: 07728620), who retires by rotation and being eligible, offer himself for re-appointment.**

SPECIAL BUSINESS:

3. **To consider and approve payment of remuneration beyond the limits prescribed under the Companies Act, 2013 to Mr. Kartikeya Sharma (DIN: 07728620), Whole-time director 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(s) 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 read with Schedule V 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) and as per the recommendations of the Board of Directors and Nomination and Remuneration Committee and the Articles of Association of the Company and to the extent necessary and such other approvals, permissions and sanctions as may be required, the members of the Company be and hereby approve the payment of remuneration up to INR 5 Crore (Indian Rupees Five Crore only) per annum to Mr. Kartikeya Sharma (DIN: 07728620), Whole-time director of the Company, as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate, for the remaining period of his tenure commencing from September 4, 2023 to September 3, 2025,

notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment of Mr. Kartikeya Sharma shall remain unchanged unless otherwise modified by the Nomination and Remuneration Committee or the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors or the Company Secretary of the Company be and are 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.”

4. **To consider and approve payment of remuneration beyond the limits prescribed under the Companies Act, 2013 to Mr. Mahesh Kumar Mittal (DIN: 09071616), Whole-time director 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 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 read along with Schedule V 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 as per the recommendations of the Board of Directors and Nomination and Remuneration Committee of the Company and subject and the Articles of Association of the Company and such other approvals, permissions and sanctions as may be required, the members of the Company be and hereby approve the payment of remuneration up to INR 2.5 Crores per annum to Mr. Mahesh Kumar Mittal (DIN: 09071616), Whole-time director of the Company, as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate for the remaining period of his tenure commencing from March 1, 2024 to February 28, 2026, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Companies Act, 2013.

Notice (Contd.)

RESOLVED FURTHER THAT all other existing terms and conditions of appointment of Mr. Mahesh Kumar Mittal shall remain unchanged unless otherwise modified by the Nomination and Remuneration Committee or the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors, except Mr. Mahesh Kumar Mittal, or the Company Secretary of the Company be and are 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: June 14, 2024
Place: Bengaluru, India

Notice (Contd.)

Notes:

1. 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, General Circular No. 10/2022 dated December 28, 2022 and 09/2023 dated 25th September 2023 (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 33rd (Thirty Third) AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM will be Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (‘Act’) setting out material facts concerning the business under Item Nos. 3 and 4 set out above is annexed hereto. The details pursuant to Paragraph 1.2.5 of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India for Directors seeking appointment/re-appointment at the AGM, forms part of this Notice.
3. 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.
4. 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 **Tuesday, May 28, 2024, at 2:00 P.M. (IST)** onwards.
5. 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.
6. 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.
7. As this AGM will be held through VC/ OAVM, the route map of the venue of the meeting is not annexed to this notice.
8. In compliance with the MCA Circulars, notice of the AGM along with the Annual Report 2021-22 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 2021-22 will also be available on the website of NSDL (agency for providing e-Voting facility) at www.evoting.nsdl.com.
9. 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.
 - (b) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository through their Depository Participant(s).
10. 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.

Notice (Contd.)

11. All queries relating to non-receipt of share certificates after 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.
12. 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.
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. During the 33rd AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, by sending an email to Kartikya.rawal@in.ab-inbev.com.
15. 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 Sunday, July 7, 2024 at 9:00 a.m. (IST) and ends on Tuesday, July 9, 2024 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 Wednesday, July 3, 2024 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?

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

(iv) 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***

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

- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- (vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (viii) Now, you will have to click on "Login" button.
- (ix) 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 e mail 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 mt.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 mt.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 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 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 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 Wednesday, July 3, 2024.
- 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 Wednesday, July 3, 2024, 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 or contacting the RTA at mt.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 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.
- XIII. The Company has appointed Ms. Sarvari Shah (FCS 9697) and failing her Mr. Mitesh Dhaliwala (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, July 11, 2024 and will also be displayed on the website of the NSDL (<https://www.nsdl.co.in>), besides being communicated to the Depositories and RTA.

Notice (Contd.)

16. 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.
17. 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 with a copy marked to NSDL at evoting@nsdl.co.in. Institutional investors are encouraged to attend and vote at the meeting through VC/ OAVM.
18. In case of any queries regarding the Annual Report, the Members may write to Kartikeya.rawal@in.ab-inbev.com to receive an email response.

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 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 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.

Explanatory statement under Section 102 of the Companies Act, 2013

Item No. 3

It is informed that Mr. Kartikeya Sharma was appointed as Whole-time Director of the Company for a period of 5 years with effect from September 04, 2020 by means of a special resolution passed by the members of the Company at the 30th Annual General Meeting held on September 30, 2020 on the terms and conditions including payment of remuneration as mentioned therein. Pursuant to the provisions of Section(s) 196, 197 and 198 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mr. Kartikeya Sharma was approved by the members of the Company for the period commencing from September 04, 2020 to September 03, 2023.

Also, pursuant to the provisions of aforesaid Sections read with Schedule V of Companies Act, 2013, a company having inadequate / no profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

Accordingly, the Board of Directors seek approval of the Members of the Company for the remuneration up to INR 5 Crore per annum to be paid to Mr. Kartikeya Sharma for the period commencing from September 04, 2023 to September 03, 2025.

Mr. Kartikeya Sharma shall also be entitled to reimbursement of all legitimate expenses incurred by him while performing his duties and such reimbursement will not form any part of his remuneration.

It is informed further that the Board at its meeting held on March 15, 2023 and the Nomination and Remuneration Committee of the Company at their meeting held on March 14, 2023 have amongst other things, approved and recommended the members to approve the payment of remuneration up to such limits stated as above to Mr. Kartikeya Sharma, by way of special resolution, in accordance with the applicable provisions of the Companies Act, 2013.

Further, pursuant to Section 197 and any other applicable provisions of Companies Act, 2013, read along with Schedule V thereto, where a Company has no profits or its profits are inadequate, it may pay any remuneration to the managerial personnel provided that, amongst others, a statement along with a notice calling the general meeting contains certain information.

Notice (Contd.)

The statement of disclosures under Section 197 of Companies Act, 2013 read along with the rules framed there under 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 has been incorporated on November 18, 1988 and has already commenced its commercial production.																																												
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.																																												
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Notice (Contd.)

INFORMATION ABOUT THE APPOINTEE														
6	Background details	Mr. Kartikeya Sharma has a long association of over 18 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 (in Rs.)	<table border="1"> <thead> <tr> <th>S.No.</th> <th>Financial Year</th> <th>Remuneration Paid (INR Million)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2020-21 (from 04/09/2020 to 31/03/2021)</td> <td>16.54</td> </tr> <tr> <td>2</td> <td>2021-22</td> <td>34.28</td> </tr> <tr> <td>3</td> <td>2022-23</td> <td>33.18</td> </tr> </tbody> </table>	S.No.	Financial Year	Remuneration Paid (INR Million)	1	2020-21 (from 04/09/2020 to 31/03/2021)	16.54	2	2021-22	34.28	3	2022-23	33.18
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1	2020-21 (from 04/09/2020 to 31/03/2021)	16.54												
2	2021-22	34.28												
3	2022-23	33.18												
8	Recognition or awards	NIL												
9	Job profile and his suitability	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. Accordingly, he is well suited to be appointed to lead the Company as a Whole Time Director.												
10	Remuneration proposed	Up to INR 5 Crores per annum												
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.	Mr. Kartikeya Sharma has no pecuniary relationship directly or indirectly either with the company or with any managerial personnel, except to the extent of proposed remuneration.												
OTHER INFORMATION														
13	Reasons of loss or inadequate profits	The company incurred losses due to huge operational cost.												
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.												

Except Mr. Kartikeya Sharma, 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 in relation to approval of payment of remuneration beyond the limits prescribed under Companies Act, 2013 to Mr. Kartikeya Sharma, Whole-time Director of the Company, as set out in Item No. 3 for approval of the Members by way of a Special Resolution.

Item No. 4

It is informed that Mr. Mahesh Kumar Mittal was appointed as Whole-time Director of the Company for a period of 5 years with effect from March 1, 2021 by means of a special resolution passed by the members of the Company at the 31st Annual General Meeting held on April 27, 2022 on the terms and conditions including payment of remuneration as mentioned therein. Pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mr. Mahesh Kumar Mittal was approved by the members of the Company for the period commencing from March 1, 2021 to February 29, 2024.

Notice (Contd.)

Also, pursuant to the provisions of aforesaid sections read with Schedule V of Companies Act, 2013, a company having inadequate / nil profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

Accordingly, the Board of Directors seek approval of the Members of the Company for the remuneration up to INR 2.5 Crores per annum to be paid to Mr. Mahesh Kumar Mittal for the period commencing from *March 1, 2024 to February 28, 2026*.

Mr. Mahesh Kumar Mittal shall also be entitled to reimbursement of all legitimate expenses incurred by him while performing his duties and such reimbursement will not form any part of his remuneration.

It is informed that the Board at its meeting held on February 23, 2024 and the Nomination and Remuneration Committee of the Company at their meeting held on February 23, 2024 have, amongst other things, approved and recommended the members to approve the payment of remuneration up to limits stated above to Mr. Mahesh Kumar Mittal, by way of special resolution, in accordance with the applicable provisions of Companies Act, 2013.

Further, pursuant to Section 197 and any other applicable provisions of Companies Act 2013, read along with Schedule V thereto, where a company has no profits or its profits are inadequate, it may pay any remuneration to the managerial personnel provided that, amongst others, a statement along with a notice calling the general meeting contains certain information.

The statement of disclosures under Section 197 of Companies Act, 2013 read along with the rules framed there under 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 has been incorporated on November 18, 1988 and has already commenced its commercial production.			
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.			
4	Financial performance based on given indicators (based on Audited Financial Statements during three preceding Financial Years)	<i>Particulars</i>	<i>Standalone (In INR Million)</i>		
			<i>FY 2019-20</i> <i>FY 2020-21</i> <i>FY 2021-22</i>		
		Total income	33,975	28,520	36,941
		Total operating expenses	40,803	35,573	40,594
		Earnings before interest, tax, depreciation and amortization (EBITDA)	(3,295)	(3,909)	(1,205)
		Less: Depreciation and Amortization Expenses and Finance expenses	3,533	3,144	2,448
		Profit / (Loss) before taxation	(6,828)	(7,053)	(3,653)
		Tax expense:			
		(c) Current tax	-	-	-
		(d) Pertaining to earlier years	(55)	-	-
Profit / (Loss) after tax	(6,773)	(7,053)	(3,653)		

Notice (Contd.)

5	Foreign investments or collaborations, if any.	<i>The table below provides details of foreign investment (Investment in Equity Shares) in the Company (as on date):</i>		
		<i>Name of the foreign investor</i>	<i>No. of Equity Shares</i>	<i>% of shares held</i>
		AB Inbev Asia B.V.	777,338,105	83.73
		Anheuser-Busch InBev Breweries Private Limited	142,076,253	15.30
		SAB India Holdings	5,590,817	0.60
		Austindia Pty Limited	1,651,174	0.18

INFORMATION ABOUT THE APPOINTEE

6	Background details	<p>Mr. Mahesh Kumar Mittal has diverse management and operations experience within Plant operations, Safety, Environment, Quality, Facility Engineering, projects and Maintenance disciplines, and lean methodology implementation. He heads the Supply function for AB InBev in India and South East Asia, and he has been with the company for over 17 years.</p> <p>With over 27 years of experience, he has previously worked with leading companies, including J.K Paper and PepsiCo, involving exposure to various factory operations streams. His role at AB InBev has enabled him to spearhead many innovative projects, programs and initiatives that propelled the company's business in India and South-East Asia.</p>												
7	Past remuneration (in Rs.)	<table border="1"> <thead> <tr> <th>S.No.</th> <th>Financial Year</th> <th>Remuneration Paid (INR Million)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2020-21 (from 01/03/2021 to 31/03/2021)</td> <td>16.54</td> </tr> <tr> <td>2</td> <td>2021-22</td> <td>15.63</td> </tr> <tr> <td>3</td> <td>2022-23</td> <td>17.74</td> </tr> </tbody> </table>	S.No.	Financial Year	Remuneration Paid (INR Million)	1	2020-21 (from 01/03/2021 to 31/03/2021)	16.54	2	2021-22	15.63	3	2022-23	17.74
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1	2020-21 (from 01/03/2021 to 31/03/2021)	16.54												
2	2021-22	15.63												
3	2022-23	17.74												
8	Recognition or awards	NIL												
9	Job profile and his suitability	Mr. Mahesh Kumar Mittal as Whole Time Director will be responsible to deliver the business objectives of the Company as set by the Board of Directors. He has the relevant industry experience in various functions in a leadership role and accordingly he is well suited to continue to lead the Company as a Whole Time Director.												
10	Remuneration proposed	Up to INR 2.5 Crores per annum												
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.	Mr. Mahesh Kumar Mittal has no pecuniary relationship directly or indirectly either with the company or with any managerial personnel, except to the extent of proposed remuneration.												

Notice (Contd.)

OTHER INFORMATION		
13	Reasons of loss or inadequate profits	The company incurred losses due to huge operational cost.
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.

Except Mr. Mahesh Kumar Mittal, 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. 4.

The Board of Directors recommends the resolution in relation to approval of payment of remuneration beyond the limits prescribed under Companies Act, 2013 to Mr. Mahesh Kumar Mittal, Whole-time Director of the Company, as set out in Item No. 4 for approval of the Members by way of a Special Resolution.

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

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

Date: June 14, 2024
Place: Bengaluru, India

Notice (Contd.)

Annexure

Details of the Director seeking appointment/re-appointment at the Annual General Meeting

[Pursuant to Paragraph 1.2.5 of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Name of the Director	Mr. Kartikeya Sharma												
Directors Identification Number (DIN)	07728620												
Date of Birth	July 30, 1981												
Age	42 Years												
Date of Appointment	September 04, 2020												
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None												
Expertise in specific functional area	Marketing and Business Development												
Qualification(s)	Bachelors in Economics Masters Marketing from IIM-Lucknow MBA from Harvard Business School												
Number of equity shares held in the Company as at March 31, 2024	NIL												
Other Directorships, Membership/ Chairmanship of Committees of other public limited companies, if any, as on March 31, 2024	NIL												
Justification for choosing the appointee(s) for appointment as Independent Directors	Not Applicable												
Terms and conditions of appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	<p>Mr. Kartikeya Sharma was appointed as the Whole-Time Director of the Company for a period of 5 (five) years with effect from 4th September, 2020. However, his remuneration was approved only upto September 3, 2023 and it is proposed to pay to him for the remaining tenure of his appointment, the remuneration Up to INR 5 Crores per annum, with other terms and conditions of his appointment remaining unchanged.</p> <p>The details of past remuneration paid to Mr. Kartikeya Sharma has been provided in the table below:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Financial Year</th> <th>Remuneration Paid (INR Million)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>2020-21 (from 04/09/2020 to 31/03/2021)</td> <td>16.54</td> </tr> <tr> <td>2.</td> <td>2021-22</td> <td>34.28</td> </tr> <tr> <td>3.</td> <td>2022-23</td> <td>33.18</td> </tr> </tbody> </table>	S. No.	Financial Year	Remuneration Paid (INR Million)	1.	2020-21 (from 04/09/2020 to 31/03/2021)	16.54	2.	2021-22	34.28	3.	2022-23	33.18
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Report of Board of Directors

Director's report for the year ended 31 March 2022

Dear Members,

Your directors have pleasure in presenting their 33rd Annual Report on the business performance and operations of the company together with the Audited Statement of Accounts of Anheuser Busch InBev India Limited ("the Company") for the financial year ended 31st March 2022.

Financial Highlights

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

Particulars	Financial Year 2021-22	Financial Year 2020-21
Revenue from operations	36,081	28,453
Profit/(Loss) before taxation	(3,653)	(7,053)
Provision for taxation	-	-
Other comprehensive income	(7)	45
Total comprehensive income (Loss) for the year	(3,660)	(7,008)

State of Company's Affairs and Future Outlook

We are pleased to announce a notable upsurge of 27% in revenue, with a concurrent and sustained expansion in market share when compared to the preceding fiscal year. Moreover, there is a substantial decrease in losses by 48%. In alignment with our overarching objectives, we remain committed to fostering profitable volume growth. Concurrently, we are deploying rigorously conceived cost control strategies to optimize operational efficiency.

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

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

There has not been any change in the core business during the financial year in review. However, during the Financial Year 2021-22, the Company with the approval of the Members in the 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.

Subsequent to the end of the period under review, the Company with the approval of the Members in the 32nd Annual General Meeting held on September 18, 2023, had further diversified its business into opening, operating and partnering restaurants, bars, hotels, pubs and conducting, sponsoring, organizing events and experiences. It also entered into the business of seed manufacturing and dealing in seeds.

During the financial year under review, the Company entered into agreement to sell its breweries located at SICA, Pudicherry and Malabar, Kerala and East Coast Breweries in Odisha, all to KALS

Breweries Private Limited. The Company also executed a Deed of assignment with KALS Breweries Private Limited for assignment of Foster's Brands and the Intellectual Property therein.

The Company has filed suo-moto applications for adjudication of penalty for offence committed under Section 149, 152, 177, 178, 196 and Schedule IV of the Companies Act, 2013. The Company is yet to receive the order of adjudicating authority.

Dividend

Owing to unavailability of distributable profits for Financial Year 2021-22, the directors are not recommending any dividend.

Changes in Share Capital

As on March 31, 2022, 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	8,973,959,600	897,395,960
Paid-up Share Capital	8,973,959,600	897,395,960

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

Further, during the year, the issued, subscribed and paid-up share capital of the Company was increased by allotment of 117,925,000 Equity Shares of INR 10/- each on private placement cum preferential allotment basis to AB Inbev Asia BV. Further, an External Commercial Borrowing (ECB) from AB Inbev Asia BV was converted into Equity by issuing 162,893,082 Equity Shares of INR 10/- each.

Report of Board of Directors (Contd.)

Extract of Annual Return

Pursuant to Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 the Company is required to place a copy of the Annual Return as at March 31, 2022 on its website, if any. However, the Company does not maintain its website and therefore, the weblink is not being provided here.

Number of Board Meetings

During the Financial Year 2021-22, there were five meetings of the Board of Directors of the company which were held. The details of which are given below –

- August 24, 2021
- October 01, 2021
- December 22, 2021
- December 27, 2021
- January 31, 2022

Particulars of Loan, Guarantees and Investments under Section 186

The details of inter-corporate loans under Section 186 are given in Note 36 of the Audited Financial Statements for FY 2021-22.

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 2021-22 in the prescribed format, AOC 2 has been enclosed with the report. Further, the particulars of Related Party Transactions have also been enclosed in Note 34 of the Audited Financial Statements for FY 2021-22.

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 48(a) to the financial statements regarding non-compliance with Sections 92, 96, 129, 134 and 137 of the Act as the financial statements for the years ended March 31, 2018, March 31, 2019, March 31, 2020, March 31, 2021 and March 31, 2022 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.	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. The Company will file for adjudication of offence under mentioned sections after the default for subsequent years has also been made good.
2.	Note 48(b) to the financial statements regarding the non-compliance with certain secretarial standards resulting in non-compliance with Section 118(10) 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 due to Company's data email retention policy. The Company will file for the adjudication of offence

Report of Board of Directors (Contd.)

3.	Note 39(a) 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.	The Company in the process of compiling the required information as per the provisions of MSMED Act, for appropriate accounting and presentation and disclosure.
4.	Note 6(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 as well as the recognition of provision for doubtful loan in the prior 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.
5.	Note 48(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 177 and 178 of the Act read with Section 172 of the Act and Schedule IV of the Act regarding composition of 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.	The Company was 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 177 and 178 of the Companies Act, 2013. The period of default was April 1, 2018 to July 29, 2020 and the Company has already filed application for adjudication of penalty for non-compliance under Section 149, 177 and 178 of Companies Act, 2013. Further, non-compliance pertaining to Section 152 was a one time default for Annual General Meeting held on May 13, 2019 and the Company has already filed application for adjudication of penalty for non-compliance under Section 152 of Companies Act, 2013.
6.	Note 48(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.	The Company was 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. During the year 2021-22, the Company has regularized the offence by appointing Mr. Aditya Kumar Jalan as Non-Executive Director on 31st Jan 2022 and duly constituted the Nomination and Remuneration Committee on 31st Jan 2022. Further, the Company has filed application for adjudication of penalty for non-compliance under Section 178 of Companies Act, 2013.
7.	Note 48(e) to the financial statements regarding non-compliance 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 application for adjudication of penalty for non-compliance under Section 196 of Companies Act, 2013.

Report of Board of Directors (Contd.)

8.	The Company did not have an appropriate internal control system for compliances with Micro, Small and Medium Enterprise Development Act, 2006 and secretarial and other matters under the Companies Act, 2013.	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.
9.	Except for the difference of INR 542 million between the gross block and the accumulated depreciation as per the Fixed Asset Register compared to the gross block and the accumulated depreciation as per Note 4A to the financial statements, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.	The Company has taken a note of this and will try to provide a reconciliation for the differences noted.
10.	No physical verification was carried out 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.	The Company has initiated the process of conducting the physical verification and valuation of all the plants owned by the Company.
11.	Certain immovable properties as mentioned in the Appendix I to Annexure B to the Independent Auditor's Report are such for which the title deeds are not in the possession of the Company or are in the name of the erstwhile entities amalgamated with the Company in prior years.	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 have reported the Disclaimer of Opinion, as the Auditors were unable to obtain sufficient appropriate audit evidence to provide a basis for their 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, 2022 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>Furthermore, 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.</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.	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 405 million, which are not approved/ 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 related party transactions are in the ordinary course of business and at arm's length basis. Hence, by virtue of fourth proviso of Section 188(1) of Companies Act, 2013, there is no non-compliance of Section 188 or Section 177 of Companies Act, 2013.
14.	The Company's internal audit system is not commensurate with the size and nature of its business.	The Company will take steps to improve this.

Report of Board of Directors (Contd.)

Qualifications by Secretarial Auditors

1.	Provisions of Sections 92, 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 st March 2021 and there is a gap of more than fifteen months between two AGM's (i.e. AGM held for FY 2018-2019 held on 30.09.2020 and AGM for FY 2019-2020 held on 27.04.2022).	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. The Company will file for adjudication of offence under mentioned sections after the default for subsequent years has also been made good.
2.	Separate meeting of Independent Director as per Section 149 read with Schedule IV of the Act.	The Company has already filed for adjudication of offence for the said contravention.
3.	Rule 9 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for issue of shares in dematerialized form and shares held by promoters.	The promoter's holding has been dematerialized and the Company is in the process of completing the Corporate Action for all its allotments and this contravention will be regularized soon.
4.	Standards issued by The Institute of Company Secretaries of India with respect to board meetings.	This mainly pertains to non-furnishing of proof of circulations of notices to the Board of Directors due to the Company's Data Email Retention Policy. The Company will file for adjudication of offence.

Further, the auditors have not reported any fraud u/s 143(12) of the Act.

Material Changes Affecting the Financial Position of the Company

There are no other material changes that may affect the Financial Position of the Company.

Secretarial Standards

The Company is striving to comply with Secretarial Standards issued by the Institute of Company Secretaries of India with respect to the Board Meetings. Further, the Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India with respect to the General Meetings.

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"> 1. Consistent focus on building team capabilities by relevant training & ZTE program on Energy conservation & Efficiencies. 2. Implementation of Good Operating practices in the manufacturing units to enhance the efficiency & performance of equipment. 3. In BU India, we have installed Energy saving fans across in all the breweries at Evaporative condensers & Cooling towers to save the associated Energy by 20%, along with this the replacement of old conventional Low efficiency motors with high efficiency motors to give additional reduction in electricity consumption by 4%. 4. Initiated Quarterly Energy Efficiency champions contest to enhance the thinking process of our team to bring the out of the box ideas to reduce the Energy consumptions. 5. Monthly theme-based leakage audits in the manufacturing units for different Utility commodities like Air & steam to eliminate the losses.
(ii) the steps taken by the company for utilizing alternate sources of energy;	Company is continuously working to enhance the renewable Energy percentage in India & in the same direction we have installed an 178kWP solar plant in Aurangabad Brewery & planning similar capacity at Fosters Brewery.

Report of Board of Directors (Contd.)

(iii) the capital investment on energy conservation equipments;	To reduce our carbon footprint, we continuously making the right investment in our manufacturing premises. Additionally, we invested around 1.2M\$ to bring down energy consumptions.
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b) Technology Absorption:

(i) Efforts made for technology absorption	Strategic initiatives & implementation of different technological interventions via CapEx to enhance the processes & making them energy efficient. For example, SOPT installation in steam system to improve Condensate recovery, Vapor absorption systems for chilled water generation to shift the Electrical energy to thermal energy & Optimized Boiling methodologies to reduce Energy consumption in Brewing, Base load reduction, Dynamic load management with Variable Speed Drives on refrigeration & Air Compressors. Use of co-products like Biogas at our boilers to reduce the fuel consumption.
(ii) Benefits derived	Major Benefits have been observed in People capabilities & massive reduction in Energy consumption YOY.
(iii) Expenditure on Research & Development, if any	The Company has not incurred any expenditure on Research and Development.
(iv) Details of technology imported, if any	NA
Year of import	NA
Whether imported technology fully absorbed	NA
(v) Areas where absorption of imported technology has not taken place, if any	NA

c) Foreign Exchange Earnings/Outgo:

(i) Earnings	USD 96,91,943	
(ii) Outgo	Name of the Currency	Amount
	CNH	248605
	CNY	7598893.31
	EUR	1459203.78
	GBP	17337.5
	KRW	2364006958
	USD	8857698.03
	ZAR	679289.78

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.

Report of Board of Directors (Contd.)

Details of Directors and Key Managerial Personnel

The Board of Directors constituted of the below personnel as on March 31, 2022 –

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
00281906	Aditya Vikram Jalan	Non-Executive Director	31/01/2022

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

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 was regularised in the 32nd Annual General Meeting of the Company held on 18th September, 2023.

With respect to the Key Managerial Personnel, 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. Kartikeya Sharma 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 implementing a control framework in accordance with the guidance note issued by ICAI 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 deposits as per Section 73 of Companies Act, 2013 and as defined in the Companies (Acceptance of Deposits) Rules, 2014.

Report of Board of Directors (Contd.)

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 by the Board. The Independent Directors are not disqualified from continuing office as Independent Directors.

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, Practicing Company Secretaries is annexed to this report.

The Secretarial Audit Report contains few qualifications and reservations on the report 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.

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

During the year the following material Whistle Blower cases reported to the Board. There were no matters having a financial impact other than 1 matter where the amount involved was not material and the matter was appropriately dealt with by the Management.

Financial Year	No. of Whistle Blower Matters	No of items substantiated	No of cases which has financial impact and amount involved.
FY 2021-22	15	3	Count -1 Rs 12 lakhs

Report of Board of Directors (Contd.)

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.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.

No such application has been made by the Company during the year.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

The aforesaid clause is not applicable to the Company during the period under review.

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, 2022, 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, 2022 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: 28 March 2024

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 /transactions	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 INR Million)
1.	Crown Beers India Private Limited (Fellow Subsidiary)	Sale of Raw Materials	Financial Year 2021-22	In the Ordinary Course of Business	28 th March, 2024	208
		Purchase of raw materials & packing materials				223
2.	AB InBev china co., Ltd (Fellow Subsidiary)	Purchase of Stock-in-trade				91
3.	Anheuser Busch Inbev Shanghai Sales Co Ltd (Fellow Subsidiary)					73
4.	Oriental Brewery Co. Ltd. (Fellow Subsidiary)					91
5.	Anheuser - Busch InBev Procurement GmbH (Fellow Subsidiary)		Legal, consultancy and professional charges	173		

For and on behalf of the Board of Directors

Sapna Taneja
Director
DIN: 07032173
Place: Bangalore
Date: 28 March 2024

Mahesh Kumar Mittal
Director
DIN: 09071616

Secretarial Audit Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

[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, 2022, 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 Sections 92, 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 31st March 2021 and there is a gap of more than fifteen months between two AGM's (i.e. AGM held for FY 2018-2019 held on 30.09.2020 and AGM for FY 2019-2020 held on 27.04.2022).
- ii. Separate meeting of Independent Director as per Section 149 read with Schedule IV of the Act.
- iii. Rule 9 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for issue of shares in dematerialized form and shares held by promoters.
- iv. Standards issued by The Institute of Company Secretaries of India with respect to board meetings.

We report that as per the provisions of Section 178 of the Act the Nomination and Remuneration Committee was duly constituted as on January 31, 2022.

We further report that the excess remuneration paid to the Whole-time Directors is subject to the approval of the shareholders of the Company.

We further report that:

The Board of Directors of the Company, is constituted with Executive Directors, Non-Executive Director 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 unanimously.

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.

- a. The Company had issued and allotted 117,925,000 Equity Shares of Rs. 10/- at a premium of Rs. 37.70/- each on private placement cum preferential allotment basis to AB Inbev Asia BV.
- b. The External Commercial Borrowings (ECB) from AB Inbev Asia BV was converted into Equity by issuing 162,893,082 Equity Shares of Rs. 10/- at a premium of Rs. 37.70/- each to them.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: March 28, 2024

Signature:
J.U.Poojari
Partner
FCS No: 8102 CP No: 8187
UDIN No. F008102E003642821
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

Place: Mumbai
Date: March 28, 2024

Signature:
J.U.Poojari
Partner
FCS No: 8102 CP No: 8187
UDIN No. F008102E003642821
Peer Review No. 1129/2021

Independent Auditor's Report

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, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year 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 'Basis of 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, 2022, 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 48(a) to the financial statements regarding non-compliance with Sections 92, 96, 129, 134 and 137 of the Act as the financial statements for the years ended March 31, 2018, March 31, 2019, March 31, 2020, March 31, 2021 and March 31, 2022 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 48(b) to the financial statements regarding the non-compliance with certain secretarial standards resulting in non-compliance with Section 118(10) of the Act.
- (c) Note 39(a) 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.

- (d) Note 6(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 as well as the recognition of provision for doubtful loan in the prior 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 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 48(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 177 and 178 of the Act read with Section 172 of the Act and Schedule IV of the Act regarding composition of 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 48(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

Independent Auditor's Report (Contd.)

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 48(e) to the financial statements regarding non-compliance 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 adjudication/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 the 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.

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:
- (a) 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.

Independent Auditor's Report (Contd.)

- (b) 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.
 - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (d) 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, 2020 ("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:
- (a) 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.
 - (b) 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the 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, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks 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 (as amended), 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 30 and Note 40 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 as at March 31, 2022. The Company did not have any derivative contracts as at March 31, 2022.

Independent Auditor's Report (Contd.)

- (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, 2022.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 47(vi)(A) to the financial statements);
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 47(vi)(B) to the financial statements); and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.
15. Except for managerial remuneration amounting to INR 22 million to a director, 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 has sought to obtain the necessary approval from shareholders as required by Section 197 read with Schedule V to the Act by way of Postal Ballot.

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

Amit Kumar Agrawal
Partner

Membership Number: 064311
UDIN: 24064311BKFWFG7646

Place: Bengaluru
Date: March 28, 2024

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 for the year ended March 31, 2022

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, 2022 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.

Auditor's 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 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' paragraphs 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 did not have an appropriate internal control system for compliances with Micro, Small and Medium Enterprise Development Act, 2006 and secretarial and other matters under the Companies Act, 2013 (Refer paragraph 3 of the Main Audit Report). Furthermore, it 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, 2022 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, 2022, and the disclaimer does not affect our opinion on the financial statements of the Company and we have issued a qualified opinion in respect of matter related to non-compliance with Micro, Small and Medium Enterprise Development Act, 2006 and secretarial and other matters under the Companies Act, 2013 as described in paragraph 3(a) to 3(d) of the Main Audit Report respectively.

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

Amit Kumar Agrawal
Partner

Membership Number: 064311
UDIN: 24064311BKFWFG7646

Place: Bengaluru
Date: : March 28, 2024

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, 2022

- i. (a) (A) Except for the differences of INR 542 million between the gross block and the accumulated depreciation as per the Fixed Asset Register compared to the gross block and the accumulated depreciation as per Note 4A 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(v) to the financial statements.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
 - (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out 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(ii) to the financial statements.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4A (Property, Plant and Equipment), 4B (Right of use assets) and Note 10 (Assets classified as held for sale) to the financial statements, are held in the name of the Company, except for immovable properties as mentioned in the **Appendix I** to this Report for which the title deeds are not in the possession of the Company or are in the name of the erstwhile entities amalgamated with the Company in prior years. Also refer Note 4A(iii) to the financial statements.
 - (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
 - (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory, excluding certain stocks of packing materials amounting to INR 127 million and stocks with third parties aggregating to INR 2,223 million, has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
 - iii. (a) The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties during the year. Therefore, the reporting under clause 3(iii)(a) and (b) of the Order are not applicable to the Company.
(b) In respect of the loans/advance in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company, though the repayment of principal and payment of interest is not due during the year. Consequently, the question of our commenting on the regularity of repayment of principal and payment of interest does not arise. Also refer note 6(i) and 6(ii) to the financial statements.
(c) In respect of the loans/advance in the nature of loan, there are no amounts which are overdue for more than ninety days as at the year end.
(d) There were no loans /advances in nature of loans which fell due during the year and were renewed/ extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/ advances in nature of loan.
(e) There were no loans/advances in nature of loans which were granted during the year, including to promoters/related parties.
 - 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.

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

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits 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 income tax, central sales tax, employee state insurance, goods and services tax, professional tax, provident fund and value added tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues in respect of duty of customs, duty of excise, and other material statutory dues, as applicable, with the appropriate authorities.
- The extent of the arrears of statutory dues outstanding as at balance sheet date, for a period of more than six months from the date they became payable are as follows:
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. Also refer Note 16(A)(d) to the financial statements.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(ix) (e) of the Order is not applicable to the Company.

Name of the statute	Nature of dues	Amount (INR in millions)	Period to which the amount relates	Due date	Date of Payment	Remarks, if any
Maharashtra State Tax on Professions, Trades, Calling and Employment Act, 1975	Professional tax	0*	April 2021 – August 2021	May 20, 2021 – September 20, 2021	May 6, 2022 – May 20, 2022	None
The Employees Provident Fund and Miscellaneous Act, 1952	Provident Fund	0*	July 2021 – August 2021	August 15, 2021 – September 15, 2021	July 14, 2023	None

* 0 indicates that the amounts involved are below INR five lakhs

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of employee state insurance, professional tax, provident fund which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are disclosed in **Appendix II** to this Report.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, the reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made private placement of shares during the year, in compliance with the requirements of Sections 42 and 62 of the Act. The funds raised have been used for the purpose for which funds were raised. The Company has not made any preferential allotment or issued any convertible debentures during the year.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing

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

- 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, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is 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 405 million, which are not approved/ 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 24 "Related Party Disclosures" specified under Section 133 of the Act. Also refer Note 48(h) to the financial statements.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company's internal audit system is not commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses of INR 1,219 million in the financial year and of INR 4,885 million in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 46 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a

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

period of one year from the balance sheet date will get discharged by the Company as and when they fall due. Also refer Note 2.1(v) to the financial statements.

- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Amit Kumar Agrawal
Partner
Membership Number: 064311
UDIN: 24064311BKFWFG7646

Place: Bengaluru
Date: March 28, 2024

Appendix I to Annexure B to Independent Auditors' Report

Title deeds not in the name of the Company

Description of property	Gross carrying value (INR millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Freehold land in Haryana	340	Haryana Breweries and SKOL Breweries Limited	No	47 Years	Refer Note 2
Freehold land in Mysore	378	SPR Distilleries Private Limited	No	5 Years	Refer Note 2
Freehold land in Telangana	52	Refer Note 1	No	24 Years	Refer Note 1 and 2
Freehold land in Uttar Pradesh	72	Refer Note 1	No	35 Years	Refer Note 1 and 2
Freehold land in Odisha	0	East Coast Breweries and Distilleries Limited	No	26 Years	Refer Note 2
Freehold land in Kerala	13	Malabar Breweries Limited	No	21 Years	Refer Note 2
Leasehold land in Rajasthan	32	Rochees Breweries Limited	No	28 Years	Refer Note 2
Leasehold land in Rajasthan	31	Refer Note 1	No	11 Years	Refer Note 1 and 2
Leasehold land in Aurangabad - Plot No. L-5, Waluj	115	PALS Distilleries Limited	No	28 Years	Refer Note 2
Leasehold land in Aurangabad - Plot No. M-99, Waluj	98	Foster's India Limited	No	26 Years	Refer Note 2
Building in Telangana	653	Refer Note 1	No	28 Years	Refer Note 1 and 3
Building in Uttar Pradesh	47	Refer Note 1	No	35 Years	Refer Note 1 and 3
Building in Odisha	190	Refer Note 3	No	43 Years	Refer Note 3
Building in Haryana	648	Refer Note 3	No	13 Years	Refer Note 3
Building in Kerala	98	Refer Note 3	No	18 Years	Refer Note 3
Building in Mysore	1,178	Refer Note 3	No	4 Years	Refer Note 3
Building in Aurangabad - Plot No. M-99, Waluj	165	Refer Note 3	No	23 Years	Refer Note 3
Building in Aurangabad - Plot No. L-5, Waluj	340	Refer Note 3	No	26 Years	Refer Note 3
Building in Rajasthan	366	Refer Note 1	No	23 Years	Refer Note 1 and 3

Note:

- 1) The Company is not in the possession of the title deeds.
- 2) The property is held in the name of erstwhile transferor companies which were amalgamated with the Company.
- 3) The Building are acquired with the Breweries from the erstwhile transferor companies which were amalgamated with the Company. The properties are located on the land which are in the name of erstwhile transferor companies.

Appendix II 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
Income Tax Act, 1961	Penalty	5	5	-	2016-17	Commissioner of Income Tax (Appeals), Karnataka
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
	Excise duty and Penalty	4	0	4	2014-15 to 2016-17	Central Excise and Service Tax Appellate Tribunal, Haryana
	Excise duty and Penalty	23	1	22	2009-10 to 2014-15	Central Excise and Service Tax Appellate Tribunal, Hyderabad
Central Sales Tax Act, 1956/ Rajasthan Value Added Tax, 2003	Central Sales Tax	10	4	6	2013-14 to 2018-19	Commercial Tax Officer, Jaipur
Customs Act, 1962	Customs Duty	0	0	0	2007-08	Customs Excise and Service Tax Appellate Tribunal, Mumbai

Appendix II to Annexure B to Independent Auditors' Report

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	Central Sales Tax	4	4	-	2004-05	Sales Tax Tribunal, Meerut
	Central Sales Tax	8	0	8	2013-14 to 2018-19	Additional Commissioner (Appeals), Jaipur
	Central Sales Tax	2	2	-	2015-16	Additional Commissioner (Appeals), Meerut
	Central Sales Tax	1	1	0	2016-17	Appellate Deputy Commissioner, Hyderabad
	Central Sales Tax	1	1	0	2016-17 to 2017-18	Joint Commissioner (Appeals), Bangalore
	Central Sales Tax	118	65	53	2012-13 to 2014-15	Central Excise and Service Tax Appellate Tribunal, Mumbai
	Central Sales Tax	1	0	1	2016-17	CST Department, Telangana
	Central Sales Tax	79	31	48	2015-16	Deputy Commissioner of Sales Tax (Appeals), Mumbai
	Central Sales Tax	2	-	2	2012-13	Haryana Tax Tribunal, Chandigarh
	Central Sales Tax	156	-	156	2016-17	Joint Commissioner of Sales Tax, Maharashtra
	Central Sales Tax	105	32	73	2013-14	Joint Commissioner of Sales tax (Appeals), Aurangabad
	Central Sales Tax	61	-	61	2014-15 to 2016-17	Joint Excise & Taxation Commissioner (Appeals), Haryana
	Central Sales Tax	131	-	131	2016-17	The Additional Commissioner, Uttar Pradesh
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	2008-09 to 2016-17	Customs Excise and Service Tax Appellate Tribunal, Bhopal
	Service Tax and penalty	13	1	12	2015-16	Commissioner of Central Tax (Appeals), Bengaluru

Appendix II 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
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
Haryana Value Added Tax Act, 2003	Sales tax	5	-	5	2017-18	Joint Excise & Taxation Commissioner (Appeals), Haryana.
	Sales tax	42	-	42	2010-11 to 2014-15	Haryana Tax Tribunal, Chandigarh
	Sales tax	70	-	70	2013-14, 2015-16 and 2016-17	Joint Excise & Taxation Commissioner (Appeals), Haryana
	Sales tax	2	-	2	2015-16	Revisional Authority - Deputy Excise & Taxation Commissioner (Appeals), Haryana
Jammu and Kashmir General Sales Tax Act, 1962	Sales tax	77	0	77	2015-16 and 2016-17	Appellate Authority, Jammu and Kashmir
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	Madhya Pradesh Commercial Tax Appellate Board, Bhopal
	Sales tax	112	11	101	2017-18	Remand back to Assistant Commissioner, Madhya Pradesh
	Entry tax	1	-	1	2008-09	Additional Commissioner (Appeals), Gwalior

Appendix II to Annexure B to Independent Auditors' Report

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, 2002	Sales tax	2	-	2	2014-15	Joint Commissioner (Appeals), Aurangabad, Maharashtra
	Sales tax	4	1	3	2012-13	Central Excise and Service Tax Appellate Tribunal, Mumbai
	Sales tax	7	1	6	2015-16	Deputy Commissioner of State Tax, Maharashtra
	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 and 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
Rajasthan Value Added Tax Act, 2003	Sales tax	13	-	13	2014-15 to 2017-18	Additional Commissioner (Appeals), Jaipur
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), Allahabad
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 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4A	10,201	11,298
Right-of-use assets	4B(i)	1,607	1,181
Capital work-in-progress	4C	143	267
Intangible assets	4D	311	947
Financial assets			
Investments	5	-	-
Loans	6	-	-
Other financial assets	7A	159	610
Deferred tax asset (net)	29D	-	-
Current tax assets (net)	8	75	113
Other non-current assets	9A	1,057	660
Total non-current assets		13,553	15,076
Current assets			
Inventories	11	6,107	5,137
Financial assets			
Trade receivables	12	4,401	3,786
Cash and cash equivalents	13	510	516
Other financial assets	7B	45	41
Other current assets	9B	1,711	676
Assets classified as held for sale	10	454	-
Total current assets		13,228	10,156
Total assets		26,781	25,232
EQUITY AND LIABILITIES			
Equity			
Share capital	14	8,974	6,166
Other equity			
Reserves and surplus	15	552	(6,498)
Total equity		9,526	(332)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16B	-	7,260
Lease liabilities	4B(ii)	1,212	923
Other financial liabilities	17A	135	-
Provisions	18A	197	175
Other non-current liabilities	19A	55	59
Total non-current liabilities		1,599	8,417
Current liabilities			
Financial liabilities			
Borrowings	16B	3,476	7,354
Lease liabilities	4B(ii)	321	233
Trade payables			
(A) total outstanding dues of micro and small enterprises	20	108	70
(B) total outstanding dues of creditors other than micro and small enterprises	20	5,723	4,499
- Other financial liabilities	17B	1,101	956
Provisions	18B	2,419	2,579
Other current liabilities	19B	2,508	1,456
Total current liabilities		15,656	17,147
Total liabilities		17,255	25,564
Total equity and liabilities		26,781	25,232

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

For and on behalf of the Board of Directors

Sapna Taneja

Director

DIN: 07032173

Kartikeya Sharma

Director

DIN: 07728620

Mansi Bajaj

Company Secretary

Aastha Sharma

Chief Financial Officer

Place: Bengaluru

Date: 28 March 2024

Place: Bengaluru

Date: 28 March 2024

Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

Statement of Profit and Loss

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	21	36,081	28,453
Other income	22	860	67
Total income		36,941	28,520
Expenses			
Cost of material consumed	23	8,899	6,685
Purchase of stock-in-trade		287	322
Change in inventories of finished goods, work-in-progress and stock-in-trade	24	(532)	318
Excise duty		21,427	16,534
Employee benefits expense	25	2,037	1,862
Finance costs	26	190	1,034
Depreciation and amortisation expense	27	2,258	2,110
Others:			
Loss allowance on trade receivables and other financial assets (net)	43(a)	148	783
Other expenses	28	5,880	5,925
Total expenses		40,594	35,573
Loss before tax		(3,653)	(7,053)
Tax expense:			
Current tax	29	-	-
Deferred tax		-	-
		-	-
Loss for the year		(3,653)	(7,053)
Other comprehensive income:			
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	35	(7)	45
(ii) Tax relating to above		-	-
Other comprehensive income for the year, net of tax		(7)	45
Total comprehensive income for the year		(3,660)	(7,008)
Loss per equity share (par value: INR 10 each)			
- Basic and Diluted (In INR)	32	(5.35)	(11.44)

The above statement of profit and loss 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

Place: Bengaluru
Date: 28 March 2024

For and on behalf of the Board of Directors

Sapna Taneja
Director
DIN: 07032173

Mansi Bajaj
Company Secretary

Place: Bengaluru
Date: 28 March 2024

Kartikeya Sharma
Director
DIN: 07728620

Aastha Sharma
Chief Financial Officer

Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

Statement of Cash Flows

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities			
(Loss) before tax		(3,653)	(7,053)
Adjustments for:			
Depreciation and amortisation expense	27	2,258	2,110
Finance costs	26	190	1,034
Provision for indirect tax and other legal matters		204	320
Loss allowance on trade receivables and other financial assets (net)	43(a)	148	783
Allowance for doubtful non-financial assets	28	51	240
Gain on sale of property, plant and equipment	22	(420)	-
Gain on sale of brand	22	(368)	-
Loss on disposal of property, plant and equipment (net)	28	-	20
Net loss of termination of lease agreement	28	-	13
Employee stock option expense	25	126	60
Release of deferred government grants	22	(10)	(12)
Interest income on fixed deposits held at amortised cost	22	(12)	(2)
Interest on income tax refund	22	(8)	(5)
Unwinding of discount on security deposits	22	(2)	(2)
Bad and doubtful advances written off	28	30	-
Unrealised foreign exchange (gain)/loss		50	(2)
Operating profit/(loss) before changes in working capital		(1,416)	(2,496)
Changes in working capital			
(Increase) / decrease in other financial assets		525	279
(Increase) / decrease in inventories		(970)	678
(Increase) / decrease in trade receivables		(831)	56
(Increase) / decrease in other assets		(1,503)	235
Increase / (decrease) in other financial liabilities		108	54
Increase / (decrease) in provisions		(29)	(18)
Increase / (decrease) in trade payables		1,264	(766)
Increase / (decrease) in other liabilities		1,048	(249)
Cash generated from / (used in) operations		(1,804)	(2,227)
Income taxes refunds / (paid) - net		46	59
Cash generated from / (used in) operations [A]		(1,758)	(2,168)
B. Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(1,038)	(868)
Proceeds from sale of property, plant and equipment and intangible assets		1,450	-
Interest received		12	2
Fixed deposits matured with bank		129	14
Fixed deposits made with bank		(141)	(44)
Cash generated from / (used in) investing activities [B]		412	(896)

Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

Statement of Cash Flows

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
C. Cash flows from financing activities			
Proceeds from issue of shares		5,625	-
Principal element of lease payments		(232)	(177)
Interest paid on External Commercial Borrowings from related parties		(199)	(174)
Interest paid on working capital loan and overdrafts from banks		(224)	(225)
Interest paid on term loans from related parties		(146)	-
Interest paid on currency swap contracts		(110)	(217)
Interest paid on lease liabilities		(119)	(58)
(Repayment of) term loans from related parties (net)		(445)	(2)
Proceeds from/ (repayment of) working capital loan and overdrafts from banks (net)		(2,812)	3,652
Cash generated from / (used in) financing activities [C]		1,338	2,799
Net increase / (decrease) in cash and cash equivalents [A+B+C]		(8)	(265)
Cash and cash equivalents at the beginning of the year		516	779
Effect of exchange rate changes on cash and cash equivalents		2	2
Cash and cash equivalents at the end of the year		510	516
		As at	As at
		31 March 2022	31 March 2021
Cash and cash equivalents as at the end of the year comprises of (note 13):			
Balances with banks			
In current accounts		335	402
In exchange earners foreign currency account		77	34
Deposits with maturity less than three months		98	80
Cash and cash equivalents at the end of the year		510	516
Note:			
Non-cash financing and investing activities			
Conversion of ECB into equity	16A(b)	7,770	-
Acquisition of right-of-use assets	4B	609	1,001

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

Amit Kumar Agrawal
Partner
Membership number: 064311

Place: Bengaluru
Date: 28 March 2024

For and on behalf of the Board of Directors

Sapna Taneja
Director
DIN: 07032173

Kartikeya Sharma
Director
DIN: 07728620

Mansi Bajaj
Company Secretary

Aastha Sharma
Chief Financial Officer

Place: Bengaluru
Date: 28 March 2024

Financial Statements (Contd.)

(All amounts in INR Millions unless otherwise stated)

Statement of Changes in Equity for the year ended 31 March 2022

A. Equity share capital

Particulars	Note	Amount
Balance as at 1 April 2020		6,166
Changes in equity share capital	14	-
Balance as at 31 March 2021		6,166
Changes in equity share capital	14	2,808
Balance as at 31 March 2022		8,974

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	
Balance as at 1 April 2020	15	22,504	(19)	(1,030)	1,218	1,155	(23,378)	450
Loss for the year		-	-	-	-	-	(7,053)	(7,053)
Other comprehensive income		-	-	-	-	-	45	45
Total comprehensive income for the year		-	-	-	-	-	(7,008)	(7,008)
<i>Transactions with owners in their capacity as owners:</i>								
Employee stock option expense for the year		-	-	-	-	60	-	60
Balance as at 31 March 2021	15	22,504	(19)	(1,030)	1,218	1,215	(30,386)	(6,498)
Loss for the year		-	-	-	-	-	(3,653)	(3,653)
Other comprehensive income		-	-	-	-	-	(7)	(7)
Total comprehensive income for the year		-	-	-	-	-	(3,660)	(3,660)
<i>Transactions with owners in their capacity as owners:</i>								
Issue of equity shares for cash		4,446	-	-	-	-	-	4,446
Issue of equity shares by way of conversion of External Commercial Borrowings ("ECB")		6,141	-	-	-	-	-	6,141
Amount utilised for share issue expenses		(3)	-	-	-	-	-	(3)
Employee stock option expense for the year		-	-	-	-	126	-	126
Balance as at 31 March 2022	15	33,088	(19)	(1,030)	1,218	1,341	(34,046)	552

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

Amit Kumar Agrawal
Partner
Membership number: 064311

For and on behalf of the Board of Directors

Sapna Taneja
Director
DIN: 07032173

Kartikeya Sharma
Director
DIN: 07728620

Mansi Bajaj
Company Secretary

Aastha Sharma
Chief Financial Officer

Place: Bengaluru
Date: 28 March 2024

Place: Bengaluru
Date: 28 March 2024

Notes to the Financial Statements as of and for the year ended 31 March 2022

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 28 March 2024.

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 are 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
- assets classified as held for sale measured at lower of cost and fair value less costs to sell

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 applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

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.

(v) Going concern

The Company has been incurring losses and its net worth has eroded to the extent of accumulated losses amounting to INR 34,046 million (31 March 2021: INR 30,386 million) and its current liabilities exceeded current assets by INR 2,428 million

Notes to the Financial Statements as of and for the year ended 31 March 2022

as at the year end (31 March 2021: INR 6,991 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 2,048 million as described in Note 52.

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 products 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.

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

Notes to the Financial Statements as of and for the year ended 31 March 2022

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.

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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

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:

Asset	Useful life (in years)
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 Assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits and financial assets, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent

increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

2.9 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

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:

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.

2.10 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.

2.11 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.

2.12 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.

2.13 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 defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method,

Notes to the Financial Statements as of and for the year ended 31 March 2022

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.

2.14 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.

2.15 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.

2.16 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 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

2.17 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) 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.

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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

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 counter party.

2.18 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'.

2.19 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 38 for segment information presented.

2.20 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

2.21 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 30 and 40
- Impairment of property, plant and equipment, including capital work in progress and intangible assets – refer note 4A(iv)

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 2022

4A Property, plant and equipment

(INR Million)

Particulars	Owned								Total
	Freehold land	Buildings [refer note (i) below]	Leasehold improvements [refer note (ix) below]	Plant and equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	
Gross carrying amount									
Balance as at 1 April 2020	906	3,705	0	11,811	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)
Balance as at 31 March 2021	906	3,855	0	13,451	192	157	111	48	18,720
Balance as at 1 April 2021	906	3,855	0	13,451	192	157	111	48	18,720
Additions	-	16	-	1,245	16	6	-	13	1,296
Disposals	(51)	(114)	-	(495)	(4)	(1)	(12)	(1)	(678)
Assets classified as held for sale (refer note 10)	(13)	(288)	-	(688)	-	(3)	(5)	(0)	(997)
Balance as at 31 March 2022	842	3,469	0	13,513	204	159	94	60	18,341
Accumulated depreciation:									
Balance as at 1 April 2020	-	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)
Balance as at 31 March 2021	-	897	0	6,183	120	102	77	43	7,422
Balance as at 1 April 2021	-	897	0	6,183	120	102	77	43	7,422
Depreciation for the year	-	264	-	1,256	45	48	10	3	1,626
Disposals	-	(43)	-	(311)	(4)	(1)	(5)	(1)	(365)
Assets classified as held for sale (refer note 10)	-	(77)	-	(458)	-	(3)	(5)	(0)	(543)
Balance as at 31 March 2022	-	1,041	0	6,670	161	146	77	45	8,140
Net Carrying amounts:									
As at 31 March 2021	906	2,958	-	7,268	72	55	34	5	11,298
As at 31 March 2022	842	2,428	-	6,843	43	13	17	15	10,201

Notes:

- i) Includes building constructed on leasehold land aggregating to net carrying amounts of INR 612 million (31 March 2021: INR 647 million).
- ii) Subsequent to the year end, the management has carried out the physical verification of property, plant and equipment covering substantial value/items. Based on this exercise, management has made appropriate adjustments in the carrying amounts of property, plant and equipment as at the year end which are not considered material.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

4A Property, plant and equipment (Contd.)

iii) Title deeds

Refer details in table below for freehold land, leasehold land and buildings thereon including assets classified as held for sale (included under Note 4A, 4B and 10), for which the title deeds are held in the name of the erstwhile entities which were amalgamated with the Company in prior years along with details of the immovable properties for which original title deeds are not in possession of the Company. However, the Company is in possession of other collaborative documents to evidence the ownership of such immovable properties.

Description of property	Held in the name of (erstwhile amalgamated Companies)	Whether promoter, director or their relative or employee	As at 31 March 2022			As at 31 March 2021		
			Gross carrying value (INR millions)	Net carrying value (INR millions)	Period held (in years)	Gross carrying value (INR millions)	Net carrying value (INR millions)	Period held (in years)
Freehold land in Haryana	Haryana Breweries and SKOL Breweries Limited	No	340	340	47	340	340	46
Freehold land in Mysore	SPR Distilleries Private Limited	No	378	378	5	310	310	4
Freehold land in Telangana (*)	Charminar Breweries Limited and SKOL Breweries Limited	No	52	52	24	52	52	23
Freehold land in Uttar Pradesh (*)	Central Distilleries Works Limited	No	72	72	35	12	12	34
Freehold land in Odisha (refer note 10)	East Coast Breweries and Distilleries Limited	No	0	0	26	37	37	25
Freehold land in Puducherry [refer note 4A(vi)]	Sica Breweries Limited	No	-	-	-	137	137	35
Freehold land in Kerala (refer note 10)	Malabar Breweries Limited	No	13	13	21	18	18	20
Leasehold land in Rajasthan	Rochees Breweries Limited	No	32	11	28	27	11	27
Leasehold land in Rajasthan (*)	Rochees Breweries Limited	No	31	12	11	28	12	10
Leasehold land in Aurangabad - Plot No. L-5, Waluj	PALS Distilleries Limited	No	115	83	28	20	14	27
Leasehold land in Aurangabad - Plot No. M-99, Waluj	Foster's India Limited	No	98	70	26	26	20	25
Building in Haryana	Haryana Breweries and SKOL Breweries Limited	No	648	452	13	648	490	12
Building in Mysore	SPR Distilleries Private Limited	No	1,178	885	4	1,178	957	3
Building in Telangana (*)	Charminar Breweries Limited and SKOL Breweries Limited	No	653	421	28	650	448	27
Building in Uttar Pradesh (*)	Central Distilleries Works Limited	No	47	34	35	41	37	34
Building in Odisha (refer note 10)	East Coast Breweries and Distilleries Limited	No	190	145	43	190	152	42
Building in Puducherry [refer note 4A(vi)]	Sica Breweries Limited	No	-	-	-	114	76	45
Building in Kerala (refer note 10)	Malabar Breweries Limited	No	98	66	18	98	70	17
Building in Rajasthan (*)	Rochees Breweries Limited	No	366	265	23	366	280	22
Building in Aurangabad - Plot No. L-5, Waluj	PALS Distilleries Limited	No	340	238	26	338	253	25
Building in Aurangabad - Plot No. M-99, Waluj	Foster's India Limited	No	165	109	23	160	110	22

(*) Original title deeds for immovable properties are not in physical possession of the Company.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

4A Property, plant and equipment (Contd.)

- iv) 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 12,262 million as at 31 March 2022 (31 March 2021: INR 13,693 million). The management has identified the Company as a whole as the Cash Generating Unit ("CGU"). The Management has taken 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, procurement of indigenous materials and other productivity measures. This has contributed to significant revenue growth and reduction of the losses in subsequent years.

The Management has considered a time frame of 9 years (31 March 2021: 10 years) for these projections based on the average remaining useful life of various plants, wherein a CAGR of 40.0% for the next 2 years, 4.3% for the next 3 years and nil thereafter (31 March 2021: CAGR of 37.2% for the next 2 years, 8.1% for the next 5 years and nil thereafter) for revenue growth and a gross margin improvement of 3.5% for the next 2 years, 1.5% for the next 3 years and nil thereafter (31 March 2021: 10.6% for the next 2 years, 1.3% for the next 5 years and nil thereafter) 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 14.0% (31 March 2021: 12.8%).

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 2022.

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

- v) 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 2021: INR 542 million) compared to the gross block and the accumulated depreciation/amortisation as per Note 4A and 4D. 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.
- vi) During the current year, the Company has sold/ transferred its brewery (including land and Building) located in Puducherry to a third party vide sale agreement dated 28 December 2021 for INR 700 million. The net surplus from the sale of the above brewery to the tune of INR 423 million have been recognised as 'Gain on sale of property, plant and equipment' and INR 21 million has been recognised as 'miscellaneous income' under note 22 'Other income' in the Statement of Profit and Loss. Also, refer note 10 for details regarding assets classified as held for sale.
- vii) Subsequent to the year end, the Company has entered into a sale and leaseback transaction with a third party in respect to certain plant and equipment with net book value of INR 574 million, for an aggregate sale consideration of INR 868 million.
- viii) There are no property, plant and equipments which are pledged by the Company during the current and previous year.
- ix) Includes assets that are in use by the Company and are fully depreciated as at the end of current year and previous year.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

4B Leases

This note provides information for leases where the Company is a lessee. The Company takes land, buildings (offices and warehouses) and Plant and equipment on lease. Lease contracts are typically entered into for 40 to 95 years for leasehold land, for periods of 1.5 to 5 years for buildings and for period of 6 years for plant and equipment, and may have extension options as described in Note (a) below.

Amounts recognised in Balance sheet:

(i) Movement in Right-of-use assets

Gross Block	Buildings	Leasehold land	Plant and equipment	Total
As at 1 April 2020	528	101	-	629
Additions	62	-	939	1,001
Termination during the year	(209)	-	-	(209)
As at 31 March 2021	381	101	939	1,421
As at 1 April 2021	381	101	939	1,421
Additions	43	175	574	792
As at 31 March 2022	424	276	1,513	2,213

Accumulated depreciation	Buildings	Leasehold land	Plant and equipment	Total
As at 1 April 2020	130	42	-	172
Charge for the year	142	2	46	190
Termination during the year	(122)	-	-	(122)
As at 31 March 2021	150	44	46	240
As at 1 April 2021	150	44	46	240
Charge for the year	90	56	220	366
As at 31 March 2022	240	100	266	606
Net carrying amounts as at 31 March 2021	231	57	893	1,181
Net carrying amounts as at 31 March 2022	184	176	1,247	1,607

(ii) Movement in lease liabilities

Particulars	Lease Liability
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)
Lease liabilities as at 31 March 2021	1,156
Lease liabilities as at 1 April 2021	1,156
Acquisitions- Leases	609
Interest expense	119
Payment of interest element of leases	(119)
Payment of principal element of leases	(232)
Lease liabilities as at 31 March 2022	1,533

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

4B Leases (Contd.)

	As at 31 March 2022	As at 31 March 2021
Lease Liabilities		
Current	321	233
Non-current	1,212	923
Total	1,533	1,156

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

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Depreciation charge of right-of-use assets	27	366	190
(b) Interest expenses (included in finance cost)	26	119	58
(c) Lease related expenses included in Rent expenses	28		
Short term leases		106	40
Variable lease payments (not included in lease liabilities)		27	33
		133	73
(d) Net loss on termination of lease agreement	28	-	13

(iv) The total cash outflow for leases (including interest) for the year was INR 484 million (31 March 2021: INR 308 million).

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.
- (b) All the lease agreements where the company is the lessee, the lease agreements are duly executed in favour of the Company, except for the leasehold lands for which the lease agreements are executed in favour of the erstwhile entities which were amalgamated with the Company in prior years. Refer note 4A(iii).
- (c) Certain leases contain variable payment terms that are linked to actual usage of space for production, distribution and warehouse management. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base. Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

4C Capital work-in-progress

Particulars	As at 31 March 2022	As at 31 March 2021
Project in progress	143	267
Projects temporarily suspended	-	-
Total	143	267

Movement of capital work-in-progress

Particulars	As at 31 March 2022	As at 31 March 2021
Opening capital work-in-progress	267	1,581
Additions	1,172	697
Assets capitalised during the year	(1,296)	(2,011)
Closing capital work-in-progress	143	267

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

4C Capital work-in-progress (Contd.)

(a) Capital work-in-progress ageing schedule

Particulars	Amount in capital work-in-progress for the period				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
March 31, 2022					
- Project in progress	103	32	8	-	143
- Projects temporarily suspended	-	-	-	-	-
Total	103	32	8	-	143
March 31, 2021					
- Project in progress	179	49	39	-	267
- Projects temporarily suspended	-	-	-	-	-
Total	179	49	39	-	267

(b) There are no items of capital-work-in progress as at 31 March 2022 and 31 March 2021, whose completion is overdue or has exceeded its cost compared to its original plan.

(c) The balances in capital work-in-progress as at 31 March 2022 and 31 March 2021 primarily comprises of projects pertaining to expansion and enhancement of brewing capacity at various breweries and warehouses.

4D Intangible assets

Particulars	Brands (acquired) (*)	Computer software (acquired)	Total
Gross carrying amount:			
Balance as at 1 April 2020	1,840	281	2,121
Additions	-	67	67
Disposals	-	-	-
Balance as at 31 March 2021	1,840	348	2,188
Balance as at 1 April 2021	1,840	348	2,188
Additions	-	12	12
Disposals	(934)	-	(934)
Balance as at 31 March 2022	906	360	1,266
Accumulated amortisation:			
Balance as at 1 April 2020	856	161	1,017
Amortisation for the year	171	53	224
Disposals	-	-	-
Balance as at 31 March 2021	1,027	214	1,241
Balance as at 1 April 2021	1,027	214	1,241
Amortisation for the year	161	105	266
Disposals	(552)	-	(552)
Balance as at 31 March 2022	636	319	955
Carrying amounts (net):			
As at 31 March 2021	813	134	947
As at 31 March 2022	270	41	311

(*) includes the following brands: Haywards and Royal Challenge (31 March 2021: Fosters, Haywards and Royal Challenge)

Notes:

- (i) Remaining useful life as at the year end are as below:
Brands - 3 to 5 years (31 March 2021 - 4 to 6 years)
Software - 1 to 4 years (31 March 2021 - 1 to 4 years)
- (ii) The Company has transferred/assigned right, title and interest in the brand "Foster's" and the associated intellectual property to a third party on 23 December 2021 for INR 750 million. The net surplus from stated transfer to the tune of INR 368 million have been recognised as 'Gain on sale of brand' under note 22 'Other income' in the Statement of Profit and Loss.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

4D Intangible assets (Contd.)

(iii) Also, refer Notes 4A(iv) and 4A(v).

(iv) There are no intangible assets which are pledged by the Company during the current and previous year.

5. Non-current financial investments

Other investments

Particulars	As at 31 March 2022	As at 31 March 2021
<i>Investment in equity shares - Unquoted</i>		
80,000 units (31 March 2021: 80,000 units) fully paid up equity shares of Rs. 3 each in Vulcan Leasing and Investments Limited	-	0
295 units (31 March 2021: 295 units) fully paid up equity shares of Rs. 100 each in Haryana State Cooperative Bank Limited	-	0
	-	0
Less: Impairment in the value of investments	-	(0)
	-	-
<i>Investments in bonds- Quoted</i>		
2 units (31 March 2021: 2 units) of 8% bonds of Gujarat Urja Vikas Nigam Limited of face value Rs. 70,000 each	-	-
70 units (31 March 2021: 70 units) of 9.95% bonds of State Bank of India of face value Rs. 10,000 each	-	1
1 unit (31 March 2021: 1 unit) of 8.75% bond of Oriental Bank of Commerce of face value Rs. 1,000,000	-	1
1 unit (31 March 2021: 1 unit) of 8.70% bond of Power Finance Corporation Limited of face value Rs. 1,000,000	-	1
	-	3
Less: Impairment in the value of investments	-	(3)
	-	-
Investments measured at amortised cost:		
<i>Investments in government or trust securities- Unquoted</i>		
National Savings Certificates	-	2
Indira Vikas Patra	-	0
	-	2
Less: Impairment in the value of investments	-	(2)
	-	-
	-	-
Aggregate book value of quoted investments	-	3
Aggregate market value of quoted investments	-	0
Aggregate value of unquoted investments	-	2
Aggregate amount of impairment in value of investments	-	(5)

6 Non-current loans

Particulars	As at 31 March 2022	As at 31 March 2021
Loans to related parties [refer note 34 and note (i) and (ii) below]	147	147
Less: Loss allowance		
- Loans to related parties	(147)	(147)
	(147)	(147)
	-	-

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

6 Non-current loans (Contd.)

Break up of security details

Particulars	As at 31 March 2022	As at 31 March 2021
Loans considered good - secured	-	-
Loans considered good - unsecured	-	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	147	147
Total	147	147
Less: Loss allowance	(147)	(147)
	-	-

Notes:

- (i) During the year ended 31 March 2020, the Company had granted an unsecured loan for general purpose amounting to INR 145 million to SKOL Global Business Services Private Limited, a fellow subsidiary, at an interest of 9.5% per annum repayable on 1 May 2022. 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 2022. 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.
- (ii) During the earlier year, the Company had granted an unsecured loan for general purpose amounting to INR 2 million to Anheuser Busch Inbev Breweries Private Limited, a related party, at an interest of 9% per annum repayable on 31 May 2022. 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.

7 Other non-current financial assets

A. Other non-current financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Rental deposits	48	49
Security deposits	242	233
Bank deposits due to mature after 12 months from the reporting date (refer note below)	96	84
Derivative financial asset [refer note 16A(e)]	-	471
Receivable from contract bottlers	359	427
	745	1,264
Less: Loss allowance		
- Rental deposits	(22)	(22)
- Security deposits	(205)	(205)
- Receivable from contract bottlers	(359)	(427)
	159	610

Note: Held as lien by bank against bank guarantees.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

7 Other non-current financial assets (Contd.)

B. Other current financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
Non-trade receivable from related parties (refer note 34)	45	15
Receivable from contract bottlers	-	26
Interest accrued but not due from related parties [refer note 34 and 6(i)]	6	6
	51	47
Less: Loss allowance		
- Interest accrued but not due from related parties [refer note 34 and 6(i)]	(6)	(6)
	45	41

8 Current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Others		
Advance income tax and tax deducted at source	75	113
	75	113

9 Other assets

A. Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Capital advances		
Considered good	10	1
Considered doubtful	38	38
Balances with government authorities and others (Paid under protest- Indirect tax and legal matters)		
Considered good	1,010	614
Considered doubtful	-	75
Prepaid expenses	37	45
Duty drawback receivable		
Considered doubtful	9	25
Other advances		
Considered doubtful	-	91
	1,104	889
Less: Allowance for doubtful balances	(47)	(229)
	1,057	660

9 Other assets (Cont.)

B. Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with excise and other government authorities		
Considered good	1,290	422
Considered doubtful	376	252
Advances to suppliers		
Considered good	125	115
Considered doubtful	96	78
Advance to employees	5	-
Prepaid expenses	291	139
	2,183	1,006
Less: Allowance for doubtful balances	(472)	(330)
	1,711	676

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

10 Assets classified as held for sale

Particulars	As at 31 March 2022	As at 31 March 2021
Freehold land	13	-
Buildings	211	-
Plant and equipment	230	-
Furniture and fixtures	0	-
Vehicles	0	-
	454	-

Note:

- i) The Board of Directors in its meeting held on 22 December 2021, have approved the Company to sell/ dispose two of its breweries located in Kerala and Odisha, to a third party vide a sale agreement dated 28 December 2021 for an aggregate consideration of INR 925 million. The above sale has been approved by the shareholder's through special resolution in its Extra ordinary general meeting held on 18 February 2022. The sale transaction for the breweries located in Kerala and Odisha have been completed subsequent to the year end in the month of September 2022 and October 2022 respectively.

The net book value of the property, plant and equipment of these breweries are presented under 'Assets classified as held for sale' in the financial statements as at 31 March 2022. The consideration for the sale of the above mentioned breweries is higher than the carrying value of these assets as at 31 March 2022.

The Company has also received advance from the third party amounting to INR 505 million which has been disclosed as 'Advances received towards sale of property, plant and equipment' under Note 19B "Other current Liabilities".

11 Inventories

(Valued at lower of cost and net realisable value)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials and Packing materials [Including goods in transit INR 156 million (31 March 2021: INR 134 million)]	2,237	1,667
Work-in-progress	803	629
Finished goods [Including goods in transit INR 394 million (31 March 2021: INR 381 million)]	2,739	2,319
Stock-in-trade [Including goods in transit INR Nil (31 March 2021: INR 36 million)]	-	72
Stores and spares [Including goods in transit INR 14 million (31 March 2021: INR Nil)]	328	450
	6,107	5,137

Notes:

- (a) Write-downs of inventories to net realisable value amounted to INR 413 million for the year (31 March 2021: INR 706 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 distributors INR 100 million (31 March 2021: INR Nil), inventories held by job workers amounting to INR 429 million (31 March 2021: INR 710 million), inventories held by state beverage corporations amounting to INR 1,130 million (31 March 2021: INR 1,080 million) and inventories which are in transit to the state beverage corporations amounting to INR 394 million (31 March 2021: INR 381 million). The management has performed confirmation/ reconciliation of these inventory balances as at the year end.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

12 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
From Contracts with customers	6,405	5,574
	6,405	5,574
Less: Loss allowance	(2,004)	(1,788)
Total trade receivables	4,401	3,786

Details of securities/ categorisation of credit risk of trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade Receivables considered good - secured	-	-
Trade Receivables considered good - unsecured	6,405	5,574
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	6,405	5,574
Less: Loss allowance	(2,004)	(1,788)
Total trade receivables	4,401	3,786

Aging of trade receivables:

Particulars	Outstanding for following periods from the due date						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2022							
Undisputed trade receivables:							
- considered good	3,739	724	122	565	271	936	6,357
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables:							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	48	48
- credit impaired	-	-	-	-	-	-	-
Total	3,739	724	122	565	271	984	6,405
As at 31 March 2021							
Undisputed trade receivables:							
- considered good	3,082	227	389	719	418	691	5,526
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables:							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	48	48
- credit impaired	-	-	-	-	-	-	-
Total	3,082	227	389	719	418	739	5,574

Refer Note 43 for information about financial risk management.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

13 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Balances with banks		
In current accounts	335	402
In exchange earners foreign currency account	77	34
Deposits with maturity less than three months	98	80
	510	516

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

14 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised		
1,500,000,000 (31 March 2021: 1,500,000,000) equity shares of INR 10 each	15,000	15,000
Issued, subscribed and fully paid up		
897,395,960 (31 March 2021: 616,577,878) equity shares of INR 10 each	8,974	6,166

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	No of shares	Amount	No of shares	Amount
Balance at the beginning of the year	616,577,878	6,166	616,577,878	6,166
Add: equity shares issued during the year				
- consideration received in cash (refer note below)	117,925,000	1,179	-	-
- conversion of ECB [refer note 16A(b)]	162,893,082	1,629	-	-
Balance at the end of the year	897,395,960	8,974	616,577,878	6,166

Note:

Consequent to the shareholders approval at the Extraordinary General Meeting of the Company and Board of Directors approval, the Company has issued 117,925,000 equity shares of INR 10 each on 22 December 2021 to AB Inbev Asia BV at a premium of INR 37.70 per share on a private placement under Section 42 of the Act. Payment against these shares have been received in cash.

(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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

14 Equity share capital (Contd.)

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

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	% of holding	No of shares	% of holding	No of shares
Anheuser Busch InBev Asia BV, Netherlands	83.16%	746,311,262	75.49%	465,493,180
Anheuser Busch InBev Breweries Private Limited, India	15.83%	142,076,253	23.04%	142,076,253

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

Particulars	As at 31 March 2022	As at 31 March 2021
Anheuser Busch InBev Asia BV, Holding Company	746,311,262	465,493,180
Anheuser Busch InBev Breweries Private Limited, Fellow subsidiary	142,076,253	142,076,253
SABMiller India Holdings, Fellow subsidiary	5,590,817	5,590,817
Austindia Pty Ltd, Fellow subsidiary	1,651,174	1,651,174

(e) Details of Promoter shareholding and changes in Promoter shareholding in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021		% change during the year
	No. of shares	% of holding	No. of shares	% of holding	
Anheuser Busch InBev Asia BV, Holding Co	746,311,262	83.16%	465,493,180	75.50%	7.67%
Anheuser Busch InBev Breweries Private Limited, Fellow subsidiary	142,076,253	15.83%	142,076,253	23.04%	(7.21%)
SABMiller India Holdings, Fellow subsidiary	5,590,817	0.62%	5,590,817	0.91%	(0.28%)
Austindia Pty Ltd, Fellow subsidiary [refer note below]	1,651,174	0.18%	1,651,174	0.27%	(0.08%)

Note: Consequent to the approval from the Board of Directors dated 13 May 2022, the category of shareholder has prospectively been changed from 'Promoter' to 'Public'.

- (f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments and there are no shares which are foreited during the year or prior years.
- (g) During the period of five years immediately preceding 31 March 2022, 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, except for the issue of equity shares by way of conversion of ECB during the current financial year as fully detailed in note 16A(b) to the financial statements. 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 2022

(All Amounts in INR Millions unless otherwise stated)

15 Other equity

Reserves and Surplus:

Particulars	As at 31 March 2022	As at 31 March 2021
Capital reserve		
At the commencement of the year	(19)	(19)
At the end of the year	(19)	(19)
Securities premium		
At the commencement of the year	22,504	22,504
Add: Additions during the year		
- consideration received in cash	4,446	-
- conversion of ECB [refer note 16A(b)]	6,141	-
Less: Amount utilised for share issue expenses	(3)	-
At the end of the year	33,088	22,504
Amalgamation adjustment reserve / (deficit) account		
At the commencement of the year	(1,030)	(1,030)
At the end of the year	(1,030)	(1,030)
General reserve		
At the commencement of the year	1,218	1,218
At the end of the year	1,218	1,218
Equity contribution by parent company in the form of Employee Stock Options (Refer Note 44)		
At the commencement of the year	1,215	1,155
Add: Additions during the year	126	60
At the end of the year	1,341	1,215
Retained earnings		
At the commencement of the year	(30,386)	(23,378)
Add: Loss for the year	(3,653)	(7,053)
Add: Remeasurements of defined benefit obligation	(7)	45
At the end of the year	(34,046)	(30,386)
	552	(6,498)

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" in prior years.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

15 Other equity (Contd.)

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.

16 Borrowings

A. Non-current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
Loans from related parties (refer note 34)		
- External Commercial Borrowings (ECB)	-	7,718
- Term loans	136	571
Less: Current maturities of Borrowings (Refer note 16B)		
- External Commercial Borrowings	-	(1,029)
- Term loans	(136)	-
	-	7,260

(a) Terms of repayment :

Particulars	Repayment terms	Interest rate, including terms of repayment
External commercial borrowings from 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

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

16 Borrowings (Contd.)

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

As at 31 March 2021, the Company had taken External Commercial Borrowings aggregating to USD 105 million from Anheuser Busch InBev Asia BV, the Holding Company. Refer table below for summary of repayment schedule as at 31 March 2021:

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

During the year, 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 had taken loan from Crown Beers India Private Limited, a fellow subsidiary for general purpose amounting to INR 445 million which was due for repayment on 31 May 2022. The loan was applied for the purposes for which they were obtained by the Company. During the year, the company has fully prepaid this loan along with accrued interest till the date of repayment.

(d) Term loan from SKOL Beer Manufacturing Company Limited

The Company has taken loan from SKOL Beer Manufacturing Company Limited, a fellow subsidiary for general purpose amounting to INR 136 million (31 March 2021: INR 126 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. The loan was applied for the purposes for which they were obtained by the Company.

(e) The Company had 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 a related party to the extent of USD 50 million as at 31 March 2021 and these arrangements have been accounted as derivative financial assets at fair value under note 7. The Company has unwinded the said swap arrangements during the year and there are no open arrangements as at 31 March 2022.

B. Current borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured		
Working capital loan from banks	3,340	6,152
Current maturities of long term borrowings from related parties (refer note 16A and note 34)		
- External Commercial Borrowings (ECB)	-	1,029
- Term loan	136	-
Interest accrued but not due to related parties (refer note 34)	-	163
Interest accrued but not due on currency swap contracts	-	10
	3,476	7,354

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

16 Borrowings (Contd.)

Notes:

- (a) Working capital loan from banks are repayable on demand generally within 15 days - 120 days from the drawdown date. The interest is payable at 3.85% to 4.30% p.a (31 March 2021: 4.00% p.a. to 4.30% p.a.). There have been no defaults in repayment of principal and interest during the year ended 31 March 2022 and 31 March 2021. The Company has breached covenants as specified in the loan agreements in relation to submission of the audited financial statements within 6 months from the close of the financial year, submission of quarterly operating statements within six weeks from the close of each quarter, submission of certificate confirming that the funds have been utilised for the purpose for which these have been taken and submission of stock and receivables statement on monthly basis respectively.

The company does not expect any additional interest or penalty obligation on account of the above breaches.

- (b) In respect of certain borrowings, the intermediate parent entity has issued a Letter of Comfort to the banks.

(ii) Movements in debt:	ECB from related party (*)	Term loans from related parties (*)	Lease liabilities	Working capital loan	Cash and cash equivalents	Net Debt
	A	B	C	D	E	(A+B+C+D-E)
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 26)	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
Cash flows	-	-	-	-	(6)	6
Acquisition- leases	-	-	609	-	-	609
Net proceeds from / (Repayment of) borrowings	-	(445)	-	(2,812)	-	(3,257)
Conversion of ECB into equity	(7,770)	-	-	-	-	(7,770)
Restatement of loan	52	-	-	-	-	52
Interest expense (refer note 26)	149	43	119	224	-	535
Interest paid	(199)	(146)	(119)	(224)	-	(688)
Principal lease payments	-	-	(232)	-	-	(232)
Net debt as at 31 March 2022	-	137	1,533	3,340	510	4,500

(*) Includes accrued interest

17 Other financial liabilities

A. Other non-current financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Capital creditors	135	-
	135	-

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

17 Other financial liabilities (Contd.)

B. Other current financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued and due on micro and small enterprises (refer note 39)	80	63
Capital creditors (refer note 39)	375	355
Deposit from customers and del-credere agents	80	105
Employee benefits payable	126	140
Payable towards trade schemes	440	293
	1,101	956

Information about Company's exposure to interest rate, foreign currency and liquidity risks is included in note 43.

18 Provisions

A. Non-current provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Employee benefits		
- Gratuity [Refer Note 35(ii)]	197	175
	197	175

B. Current provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Employee benefits		
- Gratuity [Refer Note 35(ii)]	18	18
- Compensated absences (refer note below)	76	93
Provision for indirect tax and other legal matters (refer note 40)	2,325	2,468
	2,419	2,579

Note:

The entire amount of the provision of INR 76 million (31 March 2021: INR 93 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 and the leave obligation not expected to be settled within the next 12 months is INR 54 million (31 March 2021: INR 63 million).

19 Other liabilities

A. Other non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred royalty income	7	-
Deferred government grants (refer note 33)	48	59
	55	59

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

19 Other liabilities (Contd.)

B. Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Liability for excise duty on closing inventory (net of prepaid taxes)	397	466
Statutory liabilities	961	467
Contract liabilities (Advances from customers) (refer note below)	630	505
Advances received towards sale of property, plant and equipment [refer note 10(i)]	505	-
Deferred government grants (refer note 33)	10	9
Deferred royalty income	5	9
	2,508	1,456

Note:

Revenue recognised from amounts included in contract liabilities at the beginning of the year is INR 505 million (31 March 2021: INR 758 million).

20 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Dues to Micro and Small enterprises (refer note 39)	108	70
Dues to creditors other than Micro and Small enterprises		
Dues to related parties (refer note 34)	872	763
Others	4,851	3,736
	5,723	4,499
	5,831	4,569

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 43.

(a) Aging of trade payables

Particulars	Unbilled	Outstanding for following periods from due date of payment			Total	
		Less than 1 year	1-2 years	2-3 years		More than 3 years
As at 31 March 2022						
Undisputed trade payables						
Micro and small enterprises	-	108	0	-	-	108
Others	675	4,898	61	36	49	5,719
Disputed trade payables						
Micro and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	4	4
Total	675	5,006	61	36	53	5,831
As at 31 March 2021						
Undisputed trade payables						
Micro and small enterprises	-	70	0	-	-	70
Others	656	3,636	49	28	126	4,495
Disputed trade payables						
Micro and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	4	4
Total	656	3,706	49	28	130	4,569

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

21 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contracts with customers:		
Sale of products (includes excise duty)	35,566	27,235
Sale of services - Royalty income	39	30
	35,605	27,265
Other operating revenue		
Sale of spent malt and scrap	195	171
Sale of raw materials and packing materials	260	1,017
Duty draw back on exports	21	-
	476	1,188
	36,081	28,453

(a) Disaggregation of revenue from contracts with customer

Categories of products/services		
Beer	14,302	10,835
Non-alcoholic beverages (NAB)	239	89
Add: Excise duty collected from customers	21,064	16,341
Revenue from sale of products	35,605	27,265

(b) Reconciliation of revenue recognised with contract price:

Contract price	38,719	29,433
Less: Items offset against revenue from contracts with customers as required under Ind AS 115	(3,114)	(2,168)
Revenue from sale of products	35,605	27,265

(c) 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, except for certain distributors where the performance obligation is satisfied at a point in time on sale to retailers.

22 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income on fixed deposits held at amortised cost	12	2
Unwinding of discount on security deposits	2	2
Interest on income tax refund	8	5
Income from sub-lease (refer note 34)	-	12
Release of deferred government grants (refer note 33)	10	12
Gain on sale of property, plant and equipment - net [refer note 4(A)(vi)]	420	-
Gain on sale of brand (refer note 4(D)(ii))	368	-
Miscellaneous income	39	34
	860	67

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

23 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials and Packing materials consumed	8,899	6,685
	8,899	6,685

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Opening inventory:		
Finished goods	2,319	3,064
Work-in-progress	629	508
Stock-in-trade	72	38
Total opening balance (A)	3,020	3,610
Less: Excise duty on opening stock	(989)	(1,261)
(b) Closing inventory:		
Finished goods	2,739	2,319
Work-in-progress	803	629
Stock-in-trade	-	72
Total closing balance (B)	3,542	3,020
Less: Excise duty on closing stock	(979)	(989)
Increase / (decrease) in excise duty on finished goods, net (C)	(10)	(272)
Total changes in inventories of finished goods, work-in-progress and stock-in-trade (A-B+C)	(532)	318

25 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,729	1,579
Contribution to provident and other funds [refer note 35(i)]	77	88
Gratuity [refer note 35(ii)]	37	42
Employee stock option expense (refer note 44)	126	60
Staff welfare expenses	68	93
	2,037	1,862

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

26 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on borrowings at amortised cost		
- External Commercial Borrowings (ECB) from related parties (refer note 34)	149	224
- Working capital loan and overdrafts from banks	224	225
- Term loans from related parties (refer note 34)	43	56
Interest on derivative contracts	100	206
Interest charges on lease liabilities (refer note 4B)	119	58
Exchange fluctuation on foreign currency borrowings, net	52	(197)
Loss on fair valuation of financial instruments	-	340
Gain on unwinding of derivative contracts	(78)	(212)
Interest on micro and small enterprises (refer note 39)	17	13
Interest others (net of reversals) (indirect taxes, etc.)	(437)	321
	190	1,034

27 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 4A)	1,626	1,696
Depreciation of right-of-use assets (refer note 4B)	366	190
Amortisation of intangible assets (refer note 4D)	266	224
	2,258	2,110

28 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores and spare parts	422	420
Rent (refer note 4B)	133	73
Contract wages	246	277
Freight outward	1,105	898
Power and fuel	455	381
Selling and distribution charges	232	355
Advertisement and publicity	475	761
Rates and taxes	923	783
Legal, consultancy and professional charges	529	415
Auditors' remuneration (Refer note (a) below)	25	26
Travel and conveyance	142	151
Conversion charges paid to contract bottlers	81	181
Repairs and maintenance		
- buildings	147	90
- plant and machinery	67	160
- others	201	234

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

28 Other expenses (Contd.)

Information technology and communication expenses	231	164
Insurance	23	21
Loss on disposal of property, plant and equipment (net)	-	20
Net foreign exchange differences	54	56
Allowance for doubtful non-financial assets (net of writeback)	51	240
Bad and doubtful advances written off [net of reversal of provision INR 91 million (31 March 2021: Nil)]	30	-
Net loss of termination of lease agreement (refer note 4B)	-	13
Miscellaneous expenses	308	206
	5,880	5,925

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor		
- for statutory audit	24	25
Reimbursement of expenses	1	1
	25	26

(*) Excluding goods and services tax

29 Income tax

A. Amounts recognised in statement of profit and loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current income tax:		
Current income tax charge	-	-
Current tax pertaining to earlier years	-	-
	-	-
Deferred tax:		
<i>Attributable to -</i>		
Origination and reversal of temporary differences	-	-
	-	-
Income tax expense reported in the statement of profit or loss	-	-

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Net (gain)/loss on remeasurement of defined benefit liability/ (assets)	-	-
Income tax charged to OCI	-	-

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(Loss) before tax	(3,653)	(7,053)
Enacted tax rate in India (%)	34.944%	34.944%
Expected computed tax expense/(credit)	(1,277)	(2,465)
Less: Expenses that are not deductible in determining taxable profit	(73)	(27)
Unrecognised deferred tax expense/(credit) on tax losses and other temporary differences	1,350	2,492
Income tax expense	-	-

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

Deferred tax liabilities:		
Difference between carrying amount of fixed assets in the financial statements and the income tax return	499	1,367
Right-of-use of asset	500	393
Assets classified as held for sale	159	-
Total	1,158	1,760
Deferred tax asset:		
Lease liabilities	536	404
Expenses allowable under the Income Tax Act, 1961 on payment basis	622	1,356
Total	1,158	1,760
Net Deferred tax assets	-	-

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 8,910 million (31 March 2021: INR 8,036 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 2022	For the year ended 31 March 2021
Business loss	6,091	6,091
Unabsorbed depreciation	15,669	15,108
Total	21,760	21,199

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

30 Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
A. Indirect tax matters		
(i) Sales tax	756	357
(ii) Excise	52	62
(iii) Service tax	68	719
(iv) Customs	0	0
B. Income tax	138	-
C. Other civil litigations and claims	602	717

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 represent 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) 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 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, except for certain penalty demands in respect of which the possibility of an outflow is considered as possible and accordingly considered as contingent liability.

c) 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.

d) 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.

e) 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

31 Capital and other commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Capital commitments for property, plant and equipment (net of advances)	118	254

32 Loss per share

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Nominal value of equity shares (in INR)	10/-	10/-
(a) Loss attributed to equity holders of the Company	(3,653)	(7,053)
(b) Weighted average number of equity shares used as denominator	683,266,198	616,577,878
(c) Basic and diluted loss per share (in INR)	(5.35)	(11.44)

Note:

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

33 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 2022, the Company has received a cumulative total grant of INR 212 million (As at 31 March 2021: 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 154 million (As at 31 March 2021: INR 144 million), including release during the year amounting to INR 10 million (As at 31 March 2021: INR 12 million), has been credited to the Statement of Profit and Loss during the year 31 March 2022.

The unamortised amount of total grants received as at 31 March 2022 is INR 58 million (As at 31 March 2021: INR 68 million). There are no unfulfilled conditions or other contingencies attached to the grants that has been recognised.

34 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

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

34 Related party disclosures (Contd.)

III. Fellow subsidiaries (with whom transactions have taken place during the current year or previous year or have balances outstanding at the end of current year or previous year)

Name of the entity	Country of Incorporation
SKOL Beer Manufacturing Company 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
Anheuser Busch Inbev Shanghai Sales Co Ltd	China
Anheuser-Busch InBev Services LLC	United States of America

IV. Employee Benefit Trusts

SKOL Breweries Ltd Emp Gratuity Fund Trust
Anheuser Busch InBev India Limited, Emp Gratuity Fund
Anheuser Busch InBev India Ltd Employees Gratuity Trust Fund
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
Shantanu Krishna (from 15 March 2023)
Aditya Vikram Jalan (from 31 January 2022 till 30 December 2022)

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

34 Related party disclosures (Contd.)

B. Summary of the transactions with related parties

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of raw materials to		
- fellow subsidiaries	208	197
Purchase of raw materials and packing materials from		
- fellow subsidiaries	223	412
Purchase of stock-in-trade from		
- fellow subsidiaries	255	213
Finance costs		
- fellow subsidiaries	43	56
- parent entities	149	224
	192	280
Loss allowance on financial assets - loans		
- fellow subsidiaries	-	145
- entity having significant influence	-	2
	-	147
Loss allowance on financial assets - Interest accrued but not due on loans		
- fellow subsidiaries	-	0
- entity having significant influence	-	6
	-	6
Income from sub-lease		
- fellow subsidiaries	-	12
Reimbursement of advertisement and publicity expenses		
- fellow subsidiaries	100	419
Term loans repaid to		
- fellow subsidiaries	445	2
Legal, consultancy and professional charges		
- fellow subsidiaries	173	163
Reimbursement of expenses received from (Salaries and wages, Travel and conveyance, etc.)		
- fellow subsidiaries	500	62
- parent entities	23	19
	523	81
Reimbursement of expenses paid to (Salaries and wages, Travel and conveyance, etc.)		
- fellow subsidiaries	126	47
- parent entities	19	-
	145	47
Contribution made for Gratuity and Superannuation		
- Employee Benefit Trusts	3	8
Employee stock option expenses in the nature of equity contribution by		
- parent entities	126	60
	126	60
Equity shares issued during the year (including securities premium)		
- For cash (including securities premium)		
- parent entities	5,625	-
- By way of conversion of ECB		
- parent entities	7,770	-

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

34 Related party disclosures (Contd.)

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 2022	As at 31 March 2021
Financial asset - loans		
- entity having significant influence	2	2
- fellow subsidiaries	145	145
	147	147
Loss allowance for financial asset - loans		
- entity having significant influence	2	2
- fellow subsidiaries	145	145
	147	147
Financial asset - Interest accrued but not due		
- entity having significant influence	0	0
- fellow subsidiaries	6	6
	6	6
Loss allowance for financial asset - Interest accrued but not due on loans		
- entity having significant influence	0	0
- fellow subsidiaries	6	6
	6	6
Financial asset - Non-trade receivable		
- parent entities	4	-
- fellow subsidiaries	41	15
	45	15
Financial liabilities - trade payables		
- fellow subsidiaries	848	752
- parent entities	24	11
	872	763
Financial liabilities - External Commercial Borrowings		
- parent entities	-	7,718
Financial liabilities -Term loans		
- fellow subsidiaries	136	571
Financial liabilities -Interest accrued but not due		
- fellow subsidiaries	-	113
- parent entities	-	50
	-	163
D. Remuneration and sitting fee		
Remuneration to key management personnel:		
Short-term employee benefits (*)	63	48
Post-employment benefits (*)	2	2
Employee share-based payments (**)	-	9
	65	59

(*) 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	1	1
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Also, refer note 16B(b).

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

34 Related party disclosures (Contd.)

E. Terms and conditions

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

35 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 in which they are incurred.

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Provident fund	75	82
Superannuation fund	2	5
Employee state insurance scheme	0	1
Total	77	88

(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:

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

Particulars	As at 31 March 2022	As at 31 March 2021
Obligations at the beginning of the year	201	231
Included in Statement of Profit and Loss:		
- Current Service Cost	26	30
- Past Service Cost	0	-
- Interest Cost	11	12
Included in Other comprehensive income:		
- Actuarial (gains)/ losses arising from changes in financial assumptions	(5)	2
- Actuarial (gains)/ losses arising from experience adjustments	13	(47)
Benefits settled	(23)	(27)
Obligations at year end	223	201

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

35 Employee benefit obligations (Contd.)

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

Particulars	As at 31 March 2022	As at 31 March 2021
Fair value of plan assets at the beginning of the year	8	7
Included in Other comprehensive income:		
- Actuarial (loss)/gain	1	0
Included in Statement of Profit and Loss:		
- Interest income on plan assets	0	1
Contributions	1	3
Benefits settled	(2)	(3)
Fair value of plan assets at year end	8	8

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 2022	As at 31 March 2021
Present value of defined benefit obligation at year end	223	201
Fair value of plan assets at year end	8	8
Total Liability recognised in Balance sheet	215	193
Net liability:		
- Non current (refer note 18A)	197	175
- Current (refer note 18B)	18	18
	215	193

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cost for the year		
Current Service cost	26	30
Past Service cost	0	-
Net interest cost		
- Interest expense on DBO	11	13
- Interest (income) on plan assets	(0)	(1)
Total Net interest cost	11	12
Net gratuity cost	37	42

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

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial (gains)/ losses arising from changes in financial assumptions	(5)	2
Actuarial (gains)/ losses arising from experience adjustments	13	(47)
Actuarial (gains)/ losses on plan assets	(1)	(0)
Total actuarial (gain)/ loss included in OCI	7	(45)

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

35 Employee benefit obligations (Contd.)

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

Particulars	As at 31 March 2022	As at 31 March 2021
Qualifying insurance policies from the insurer	100%	100%

H. Actuarial assumptions

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate (per annum)	6.40%	6.00%
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.

I. Sensitivity analysis

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

J. 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 2022

(All Amounts in INR Millions unless otherwise stated)

35 Employee benefit obligations (Contd.)

K. Defined benefit liability

The weighted average duration of the defined benefit obligation is 5 years (31 March 2021: 5 years). The expected maturity analysis of undiscounted gratuity is as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than a year	27	27
Between 1 -2 years	28	27
Between 2 - 5 years	79	94
Between 5 - 10 years	104	183

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

36 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
Anheuser Busch InBev Breweries Private Limited	Not repayable before 31 May 2022	9.0%
SKOL Global Business Services Pvt Ltd	Not repayable before 1 May 2022	9.5%

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

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Anheuser Busch Inbev Breweries Private Limited		
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	2	2
(ii) SKOL Global Business Services Pvt Ltd		
At the commencement of the year	145	145
Add: Loans given during the year	-	-
Less: Loans repaid during the year	-	-
At the end of the year	145	145

Note: As at 31 March 2022, the above inter-corporate loans are considered doubtful and hence fully provided for. Also refer Note 6(i) and 6(ii).

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

37 Capital management

Risk 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 2022 and 31 March 2021 are as follows:

Particulars		As at 31 March 2022	As at 31 March 2021
Total debt	(a)	5,010	15,761
Less: Cash and cash equivalents	(b)	(510)	(516)
Net debt	(c) = (a) - (b)	4,500	15,245
Total equity	(d)	9,526	(332)
Net debt to equity ratio	(c) / (d)	0.47	(45.92)

38 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 2022	For the year ended 31 March 2021
India	35,329	27,838
Other countries	752	615
Total	36,081	28,453

* Disclosure is based on the location of the customer.

(ii) Non-current assets (*)

Particulars	As at 31 March 2022	As at 31 March 2021
India	13,319	14,353
Other countries	-	-
Total	13,319	14,353

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

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

38 Segmental information (Contd.)

(iii) Revenue from major customers

Revenue from three customers (31 March 2021: two customers) of the Company for the year ended 31 March 2022 is INR 15,436 million (31 March 2021: INR 9,791 million) which are individually more than 10 percent of the Company's total revenue.

39 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 2022	As at 31 March 2021
(i) Amounts remaining unpaid to Micro Enterprises and Small Enterprises as at the end of the year:		
Trade payables		
- Principal	108	70
- Interest due thereon	4	1
Capital creditors		
- Principal	28	33
- Interest due thereon	-	1
(ii) Amounts paid to Micro Enterprises and Small Enterprises beyond appointed date during the year:		
- Principal	347	189
- Interest due thereon	-	-
(iii) 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)	13	11
(iv) Amount of interest accrued and remaining unpaid as at the end of year	80	63
(v) 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 (a):

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 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, for the current year and the previous year, 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

40 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 2022	For the year ended 31 March 2021
Provision for indirect-tax cases		
Opening balance	2,134	1,715
Add: Addition/(reversals) during the year - net	(134)	469
Less: Amounts utilised during the year	(27)	(50)
Closing balance	1,973	2,134
Provision for water charges		
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	273	101
Add: Addition/(reversals) during the year - net	18	172
Less: Amounts utilised during the year	-	-
Closing balance	291	273
	2,325	2,468

(a) 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.

(b) 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 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 Honorable 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.

(c) 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.

(d) 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

41 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.

42 Fair value measurements

(i) Financial instruments by category

Financial assets	'Note	As at 31 March 2022	As at 31 March 2021
Financial assets measured at fair value through profit and loss ("FVTPL")			
Investments measured at FVTPL	5	-	-
Derivative financial asset	7	-	471
Financial assets measured at amortised cost			
Investments measured at amortised cost	5	-	-
Trade receivables	12	4,401	3,786
Cash and cash equivalents	13	510	516
Other financial assets (Other than derivatives)	7	204	180
Total financial assets		5,115	4,953
Financial liabilities			
Financial liabilities measured at amortised cost			
Borrowings (*)	16	3,477	14,605
Trade payables	20	5,831	4,569
Other financial liabilities (Other than derivatives)	17	1,236	956
Total financial liabilities		10,544	20,130

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

(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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

42 Fair value measurements (Contd.)

(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

(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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

43 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 and fair value through Profit and Loss statement	Credit ratings of banks Aging analysis	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.

Receivables from government corporations/ government owned entities amounted to INR 1,201 million (31 March 2021: INR 921 million) and private customers amounted to INR 3,200 million (31 March 2021: INR 2,865 million), respectively of total trade receivables, respectively, on the reporting date.

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 2022	Not due	0-6 months	6 months-1 year	More than 1 year	Total
Gross carrying amount - trade receivables	3,739	724	122	1,820	6,405
Expected credit losses - trade receivables	(49)	(74)	(61)	(1,820)	(2,004)
Carrying amount of trade receivables (net of impairment)	3,690	650	61	-	4,401
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)
Carrying amount of trade receivables (net of impairment)	3,062	204	194	326	3,786

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

43 Financial risk management (Contd.)

Movement in loss allowances for trade receivables is provided below:

Particulars	31 March 2022	31 March 2021
Balance at the beginning of the year	1,788	1,255
Loss allowance (net)	216	546
Less: Bad debts written off during the year	-	(13)
Balance at the end of the year (refer note 12)	2,004	1,788

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 2022	31 March 2021
Balance at the beginning of the year	812	575
Loss allowance (net)	(68)	237
Less: Investments written off during the year	(5)	-
Balance at the end of the year (refer note 6 and 7)	739	812

Loss allowance on trade receivables and other financial assets (net) charged to Statement of Profit and Loss	148	783
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(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.

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 2022	As at 31 March 2021
Floating rate	12,627	9,025
Cash credit/ working capital loans		

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

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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

43 Financial risk management (Contd.)

Contractual maturities of non derivative financial liabilities	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
31 March 2022						
Borrowings (*)	3,477	3,477	3,477	-	-	-
Trade payables	5,831	5,831	5,831	-	-	-
Lease liabilities	1,533	1,859	440	411	1,008	-
Other financial liabilities	1,236	1,251	1,101	56	94	-
	12,077	12,418	10,849	467	1,102	-
31 March 2021						
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	956	956	956	-	-	-
	21,286	21,948	13,041	4,598	4,309	-

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

(c) Market risk

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 2022							Total
	USD	EUR	GBP	CNY	KRW	AUD	SGD	
Financial assets								
Trade receivables	78	-	-	-	-	-	-	78
Balances with banks	77	-	-	-	-	-	-	77
Non-trade receivable from related parties	41	4	-	-	-	-	-	45
Exposure to foreign currency risk (assets)	196	4	-	-	-	-	-	200
Financial liabilities								
Trade payables	156	167	0	36	17	0	3	379
Other current financial liabilities (capital creditors)	4	11	-	-	-	-	-	15
Exposure to foreign currency risk (liabilities)	160	178	0	36	17	0	3	394
Net exposure	36	(174)	(0)	(36)	(17)	(0)	(3)	(194)

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

43 Financial risk management (Contd.)

Particulars	As at 31 March 2021							Total
	USD	EUR	GBP	CNY	KRW	AUD	VND	
Financial assets								
Trade receivables	65	-	-	-	-	-	-	65
Balances with banks	34	-	-	-	-	-	-	34
Non-trade receivable from related parties	15	-	-	-	-	-	-	15
Currency swap contracts	3,662	-	-	-	-	-	-	3,662
Exposure to foreign currency risk (assets)	3,776	-	-	-	-	-	-	3,776
Financial liabilities								
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
Exposure to foreign currency risk (liabilities)	7,970	64	0	3	86	0	4	8,127
Net exposure	(4,194)	(64)	(0)	(3)	(86)	(0)	(4)	(4,351)

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 2022	31 March 2021	31 March 2022	31 March 2021
	5% increase in exchange rate	(10)	(218)	10
5% decrease in exchange rate	10	218	(10)	(218)

(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 2022	As at 31 March 2021
External commercial borrowings from related party	-	7,718
Net exposure to cash flow interest rate risk	-	7,718

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 2022

(All Amounts in INR Millions unless otherwise stated)

43 Financial risk management (Contd.)

Particulars	Impact on loss after tax [Increase/(decrease)]		Impact on other equity [Increase/(decrease)]	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
1% increase in interest rate	-	77	-	(77)
1% decrease in interest rate	-	(77)	-	77

44 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"), discretionary restricted stock units plan ("RSU Plan") and new 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 November 2020, a new restricted stock units plan was set up by Budweiser Brewing Company 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 is 3 to 5 years.

All the company sharebased payment plans are equity-settled.

The expense recognised for Share based payments arrangements for the year is INR 126 million (31 March 2021 : INR 60 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 2022		For the year ended 31 March 2021	
	Number	WAEP (USD)	Number	WAEP (USD)
Outstanding at beginning of the year	1,074,053	27.22	785,507	54.49
Granted during the year	-	-	802,299	23.20
Forfeited during the year	(192,385)	10.33	-	-
Exercised during the year	(809)	87.41	(12,968)	118.19
Changes on account on employee movement	(364,419)	10.65	(500,785)	61.20
Outstanding at the end of the year	516,440	9.62	1,074,053	27.22

Significant assumptions used for fair valuation of ESOPs are:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Stock options:		
Expected term	5 years	5 years
Risk-free interest rates	1.0%	1.0%
Expected volatility	25.0%	25.0%
Expected dividend yield	1.0%	1.0%

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

44 Share based payments arrangements (Contd.)

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 2022	For the year ended 31 March 2021
Outstanding at beginning of the year	1,265,460	360,979
Granted during the year	-	1,044,558
Forfeited during the year	(293,083)	-
Exercised during the year	(222)	(9,887)
Changes on account on employee movement	(130,921)	(130,190)
Outstanding at the end of the year	841,234	1,265,460

The weighted average remaining contractual life for the RSU outstanding as at 31 March 2022 was 2.6 years (31 March 2021: 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.

45 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 2022

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	6,067	(1,666)	4,401
Financial liabilities			
- Other current financial liabilities	2,767	(1,666)	1,101

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	2,292	(1,336)	956

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

46 Financial ratios

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance (in %)	Reason for variance >25%
Current ratio (in times)	Current Assets	Current Liabilities	0.84	0.59	43%	Change on account of improvement in the working capital due to increase in operations and repayment of borrowings.
Debt - Equity ratio (in times)	Total debt	Shareholder's fund	0.53	(47.50)	-101%	Change on account of conversion of the existing ECB into equity and additional equity infusion during the year.
Debt service coverage ratio (in times)	Earnings available for debt service = Net profit after taxes + depreciation and amortisation expenses + finance costs + other non-cash operating expenses	Debt service = Interest and lease payments + principal repayments	(0.24)	(4.51)	-95%	Change is on account of reduction of losses and repayment of working capital loan from banks during the year.
Return on Equity (ROE) ratio (in times)	Net profits after taxes	Average shareholder's fund	(0.79)	(2.24)	-65%	Change on account of higher sales compared to previous year driven by increase in business operations and consequent reduction of losses.
Inventory turnover ratio (in times)	Cost of goods sold or sales	Average Inventory	5.35	4.36	23%	-
Trade Receivables turnover ratio (in times)	Credit Sales	Average trade receivable	8.81	6.96	27%	Change on account of shortening of the collection period which was impacted in the previous year due to COVID-19 pandemic
Trade payables turnover ratio (in times)	Purchases and Operating expenses	Average trade payables	2.98	2.54	17%	-

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance (in %)	Reason for variance >25%
Net Capital turnover ratio (in times)	Sales	Average Working capital	(7.66)	(4.71)	63%	Change on account of improvement in the working capital due to increase in operations and repayment of borrowings.
Net profit ratio (in times)	Net Profit after Tax	Sales	(0.10)	(0.25)	-59%	Change on account of higher sales compared to previous year driven by increase in business operations and consequent reduction of losses.
Return on Capital Employed (ROCE) (in times)	EBIT	Capital Employed	(0.24)	(0.42)	-41%	Change on account of higher sales compared to previous year driven by increase in business operations and consequent reduction of losses.
Return on Investment (ROI) (in times)	Net Profit before tax	Opening capital	11.00	(1.07)	-1132%	Change on account of conversion of the existing ECB into equity and additional equity infusion during the year.

47 Additional regulatory information required by Schedule III

i) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

ii) Details of Benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

iii) Borrowing secured against current assets

The Company has unsecured borrowings from banks and financial institutions.

iv) Compliance With Number of Layers of Companies

The Company does not have any subsidiary companies and hence provisions relating to layers of the Company are not applicable to the Company.

v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

47 Additional regulatory information required by Schedule III (Contd.)

vi) Utilisation of Borrowed Funds and Share Premium

- A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries"); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party") with the understanding (whether recorded in writing or otherwise) that the company shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

vii) Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

viii) Details Of Crypto Currency Or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

ix) Valuation Of Property Plant And Equipment (Including Right-Of-Use Assets) And Intangible Assets

The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. The Company did not have any investment property during the current or previous year.

x) Core Investment Company

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. It does not have any CICs, which are part of the Company.

xi) Dividend

The Company has not declared/paid dividend during the year.

xii) Utilisation of borrowings availed from banks

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

xiii) Title deeds of immovable properties not held in the name of the Company

Refer Note 4A(iii) for title deeds of immovable properties not held in the name of the Company.

xiv) Registration of Charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

xv) 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.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

47 Additional regulatory information required by Schedule III (Contd.)

xvi) Relationship With Struck Off Companies

Pertaining to 31 March 2022:

Name of struck off Company	Nature of transaction (s)	Amount of transactions during the year	Balance outstanding as at the end of the year [Receivable/ (Payable)]	Relationship with the Struck off company
Aditya Beverage and Foods Private Limited	Sale of goods and services	-	1	Customer
Ahuja Hospitality Private Limited	Sale of goods and services	-	0	Customer
Av Bistro Private Limited	Sale of goods and services	-	0	Customer
Back To Back Digitals Private Limited	Sale of goods and services	-	0	Customer
Surreal Hospitality Private Limited	Sale of goods and services	-	(0)	Customer
A & S Food Ladder Private Limited	Sale of goods and services	-	(0)	Customer
Chandigarh Wine Traders Private Limited	Sale of goods and services	-	(0)	Customer
Chanson Hospitality Private Limited	Sale of goods and services	-	0	Customer
Cheers Hospitality Private Limited	Sale of goods and services	-	(0)	Customer
Chirag Restaurant Private Limited	Sale of goods and services	2	1	Customer
Belgique Chocolates Private Limited	Sale of goods and services	-	0	Customer
Maya Hotels Private Limited.	Sale of goods and services	0	0	Customer
Fk Entertainment Private Limited	Sale of goods and services	-	(0)	Customer
Glow Infocom Private Limited	Sale of goods and services	-	1	Customer
Stirrer Hospitality Private Limited	Sale of goods and services	-	0	Customer
Surya Leisure Private Limited	Sale of goods and services	-	0	Customer
Harrys Kitchens Private Limited	Sale of goods and services	-	0	Customer
Rosewood Cafe Private Limited	Sale of goods and services	-	0	Customer
Dionysus Hospitality Private Limited	Sale of goods and services	-	0	Customer
Diya Hospitality Private Limited	Sale of goods and services	-	0	Customer
Crudex Lng Petroleum Private Limited	Sale of goods and services	0	(0)	Customer
Jolie De Vivre Restaurant Private Limited	Sale of goods and services	-	0	Customer
Eternity Entertainment & Hospitality Private Limited	Sale of goods and services	-	(0)	Customer

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

47 Additional regulatory information required by Schedule III (Contd.)

Name of struck off Company	Nature of transaction (s)	Amount of transactions during the year	Balance outstanding as at the end of the year [Receivable/ (Payable)]	Relationship with the Struck off company
H & C Impex Private Limited	Sale of goods and services	-	0	Customer
Coffeebean And Tealeaf (India) Private Limited	Sale of goods and services	0	0	Customer
Luxuria Entertainment Private Limited	Sale of goods and services	-	0	Customer
Msr Hotels Private Limited	Sale of goods and services	-	0	Customer
Natural Selections Private Limited	Sale of goods and services	-	0	Customer
New Friends Colony Club Limited	Sale of goods and services	0	0	Customer
Readymade Centre Private Limited	Sale of goods and services	2	-	Customer
Vintero Hospitality Private Limited	Sale of goods and services	-	0	Customer
S3 Hospitality Private Limited	Sale of goods and services	-	0	Customer
Som Health Care Products Private Limited	Sale of goods and services	-	(0)	Customer
Srisri Creations Jewels And Handicrafts Private Limited	Sale of goods and services	-	1	Customer
Vrinda Hospitality Private Limited	Sale of goods and services	-	0	Customer
Choice Development Co. Private Limited.	Sale of goods and services	-	(0)	Customer
Soul Fandb Services Private Limited	Sale of goods and services	0	(0)	Customer
Veda Restaurants Private Limited	Sale of goods and services	-	0	Customer
World Cuisine Network Private Limited	Sale of goods and services	-	0	Customer
Closure Systems International India Private Limited	Purchase of goods and services	-	0	Supplier
Impex Linkers Private Limited	Purchase of goods and services	-	(0)	Supplier
Jones Lang Lasalle India Private Limited	Purchase of goods and services	6	(2)	Supplier
Sealed Air Packaging (India) Private Limited	Purchase of goods and services	-	0	Supplier
Security & Intelligence Gaurd Services Private Limited	Purchase of goods and services	9	(1)	Supplier
Filtech India Private Limited	Purchase of goods and services	-	0	Supplier

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

47 Additional regulatory information required by Schedule III (Contd.)

xvi) Relationship With Struck Off Companies

Pertaining to 31 March 2021:

Name of struck off Company	Nature of transaction (s)	Amount of transactions during the year	Balance outstanding as at the end of the year [Receivable/ (Payable)]	Relationship with the Struck off company
Aditya Beverage and Foods Private Limited	Sale of goods and services	-	0	Customer
Ahuja Hospitality Private Limited	Sale of goods and services	-	0	Customer
Av Bistro Private Limited	Sale of goods and services	-	0	Customer
Back To Back Digitals Private Limited	Sale of goods and services	-	0	Customer
Surreal Hospitality Private Limited	Sale of goods and services	-	(0)	Customer
A & S Food Ladder Private Limited	Sale of goods and services	-	(0)	Customer
Chandigarh Wine Traders Private Limited	Sale of goods and services	-	(0)	Customer
Chanson Hospitality Private Limited	Sale of goods and services	-	0	Customer
Cheers Hospitality Private Limited	Sale of goods and services	-	(0)	Customer
Chirag Restaurant Private Limited	Sale of goods and services	7	3	Customer
Belgique Chocolates Private Limited	Sale of goods and services	-	0	Customer
Maya Hotels Private Limited.	Sale of goods and services	-	0	Customer
Fk Entertainment Private Limited	Sale of goods and services	-	(0)	Customer
Gateway Resorts Private Limited	Sale of goods and services	0	0	Customer
Glow Infocom Private Limited	Sale of goods and services	-	1	Customer
Stirrer Hospitality Private Limited	Sale of goods and services	-	0	Customer
Surya Leisure Private Limited	Sale of goods and services	-	0	Customer
Harrys Kitchens Private Limited	Sale of goods and services	-	0	Customer
Rosewood Cafe Private Limited	Sale of goods and services	-	0	Customer
Dionysus Hospitality Private Limited	Sale of goods and services	-	0	Customer
Diya Hospitality Private Limited	Sale of goods and services	-	0	Customer
Crudex Lng Petroleum Private Limited	Sale of goods and services	0	(0)	Customer
Joie De Vivre Restaurant Private Limited	Sale of goods and services	-	0	Customer
Eternity Entertainment & Hospitality Private Limited	Sale of goods and services	-	(0)	Customer
H & C Impex Private Limited	Sale of goods and services	-	0	Customer

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

47 Additional regulatory information required by Schedule III (Contd.)

Name of struck off Company	Nature of transaction (s)	Amount of transactions during the year	Balance outstanding as at the end of the year [Receivable/ (Payable)]	Relationship with the Struck off company
Coffeebean And Tealeaf (India) Private Limited	Sale of goods and services	0	(0)	Customer
Luxuria Entertainment Private Limited	Sale of goods and services	-	0	Customer
Msr Hotels Private Limited	Sale of goods and services	-	0	Customer
Natural Selections Private Limited	Sale of goods and services	-	0	Customer
New Friends Colony Club Limited	Sale of goods and services	0	0	Customer
Readymade Centre Private Limited	Sale of goods and services	3	1	Customer
Vintero Hospitality Private Limited	Sale of goods and services	0	0	Customer
S3 Hospitality Private Limited	Sale of goods and services	-	0	Customer
Som Health Care Products Private Limited	Sale of goods and services	-	(0)	Customer
Srisri Creations Jewels And Handicrafts Private Limited	Sale of goods and services	-	1	Customer
Vrinda Hospitality Private Limited	Sale of goods and services	-	0	Customer
Choice Development Co. Private Limited.	Sale of goods and services	-	(0)	Customer
Soul Fandb Services Private Limited	Sale of goods and services	0	0	Customer
Veda Restaurants Private Limited	Sale of goods and services	-	0	Customer
World Cuisine Network Private Limited	Sale of goods and services	-	0	Customer
Arc India Private Ltd	Purchase of goods and services	0	0	Supplier
Bennett Coleman And Co. Ltd.	Purchase of goods and services	6	(1)	Supplier
Closure Systems International India Private Limited	Purchase of goods and services	-	0	Supplier
Impex Linkers Private Limited	Purchase of goods and services	-	(0)	Supplier
Jones Lang Lasalle India Private Limited	Purchase of goods and services	7	(2)	Supplier
Sealed Air Packaging (India) Private Limited	Purchase of goods and services	-	0	Supplier
Security & Intelligence Gaurd Services Private Limited	Purchase of goods and services	8	(1)	Supplier
Filtech India Private Limited	Purchase of goods and services	-	0	Supplier

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

48 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, 31 March 2021 and 31 March 2022 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 due to delay in approval of the financial statements and report of the Board of Directors under Section 134 of the Act 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.

(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 held during the years ended 31 March 2020, 31 March 2021 and 31 March 2022, as specified under Section 118(10) of the Act.

(c) Constitution of the Board of Directors, 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 the annual general meeting held on 28 December 2017 and 13 May 2019. Consequently, the Board of Directors of the Company and the related Audit Committee and Nomination and Remuneration Committee required to be formed pursuant to Sections 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. Further, 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. During the year, 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) Meeting of Independent Directors

As required under Section 149 read with Schedule IV of the Act, separate meeting of the independent directors of the Company without the attendance of non-independent directors and members of management, was not held during the year. 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.

(g) Managerial remuneration

The managerial remuneration for the financial year ended 31 March 2022 aggregating to INR 35 million paid to a Whole-time Director includes an amount of INR 22 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 has sought to obtain the necessary approval from shareholders by way of Postal Ballot.

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

48 Matters relating to Companies Act, 2013 (the “Act”) (Contd.)

(h) 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 324 million. Further, there was no prior approval of the Audit Committee obtained for certain transactions with a few related parties aggregating to INR 81 million. These transactions have been taken on record and approved by the Audit Committee subsequent to the year end. These transactions are in ordinary course of business and at arm’s length price.

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 2022.

49 During the current year, based on confirmation and reconciliation of balances performed with the vendors and after obtaining necessary clarifications from the Authorised Dealer (AD), the Company has adjusted the overdue foreign currency payables amounting to INR 130 million in the financial statements. Further, overdue foreign currency payables as at 31 March 2021 amounting to INR 39 million has been paid during the year. There were no penalties that was levied on the Company by the AD banker for the delayed remittances.

50 Subsequent to the year end, one of the regulators, in relation to a confidential investigation, has sought certain information from the Company pertaining to its business in the capacity of a third party. The Company has submitted certain details with the said regulator and is in the process of providing the remaining information. At this stage, based on the management’s own evaluation and also the advice from company’s external legal counsel, it believes that there is no case against the Company nor it is a party in the case and accordingly there are no financial implications on the Company.

51 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021. Consequent to above, the Company has changed the classification/presentation of (i) current maturities of long-term borrowings (ii) security deposits, in the current year.

The current maturities of long-term borrowings (including interest accrued) has now been included in the “Current borrowings” line item. Previously, current maturities of long-term borrowings and interest accrued were included in ‘other financial liabilities’ line item.

Further, security deposits and rental deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in ‘other financial assets’ line item. Previously, these deposits were included in ‘loans’ line item.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

Balance sheet (extract)	As at 31 March 2021 (as previously reported)	Increase/ (Decrease)	As at 31 March 2021 (restated)
Other current financial liabilities	2,158	(1,202)	956
Borrowings (Current)	6,152	1,202	7,354
Loans (non-current)	55	(55)	-
Other financial assets (non-current)	555	55	610

Notes to the Financial Statements as of and for the year ended 31 March 2022

(All Amounts in INR Millions unless otherwise stated)

52 Subsequent events

- a) 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(vii), 6(i) and 6(ii), 10(i), 14(e) and 16A(d).

For Price Waterhouse & Co Chartered Accountants LLP

Firm registration number: 304026E/E-300009

Amit Kumar Agrawal

Partner

Membership number: 064311

Place: Bengaluru

Date: 28 March 2024

For and on behalf of the Board of Directors

Sapna Taneja

Director

DIN: 07032173

Mansi Bajaj

Company Secretary

Place: Bengaluru

Date: 28 March 2024

Kartikeya Sharma

Director

DIN: 07728620

Aastha Sharma

Chief Financial Officer

Anheuser Busch InBev India Limited
(Formerly known as SABMiller India Limited)
Regd. Office: Unit No. 301-302, Dynasty Business Park, 3rd Floor
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